

Annual Report 2017

to the Minister for Education and
Minister for Industrial Relations





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2 March 2018

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

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2017 and financial statements for The Board of Trustees of the Brisbane Grammar School.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be found at page 60 of this annual report.

Howard Stack
Chairperson – Board of Trustees

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Strategy Report

Strategy Report

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2017 Highlights

149



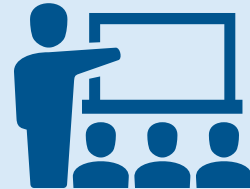
years since the founding of Brisbane Grammar School, Brisbane's first public secondary school



30%

of 2017's Year 12s earned an OP 1 or 2

100%



of 2017's Year 12 students were OP eligible

1705



students were enrolled in 2017



\$1.88m

worth of tertiary scholarships awarded to 2017 Year 12 students

96%



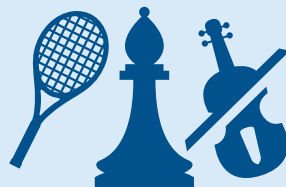
average student attendance rate



98.4%

of 2017's Year 12s received a tertiary offer

97%



of students were involved in school activities

4



GPS premierships

From the Chairperson

Howard Stack

The teaching of the sciences has arguably been the cornerstone of the School's academic success from our very beginnings.



I am delighted to report that 2017 was yet another year of positive achievement for Brisbane Grammar School, thanks to the excellent contributions of our boys, their families, our staff, our alumni, our business partners, and our valued community of volunteers.

2018 marks our sesquicentenary, or 150th year anniversary. The writing of our history, which will be published later this year, has caused us to reflect upon where we have come from, where we are, and where we want to be within the next 20 years. Our plans are ambitious.

When the 150 year history is published, I believe Old Boys and, indeed, our whole community will feel legitimate pride in what we have achieved. The School's service to country, and to our key stakeholders, has been enormous. We have many debts to many Grammar generations past.

One matter we have reflected upon in particular is what the Brisbane Grammar School War Memorial Library should mean to us in the 21st century. This memorial was conceived by Chairman Woolcock 100 years ago in 1917 as a permanent memorial to the 1,022 old boys

who served in the First World War, and the 146 of them who paid the ultimate sacrifice for us in that conflict. A staggering 38% of Old Boys who attended the School between 1900 and 1913 served, and 22% were killed.

Without in any way detracting from this wonderful Memorial to those Old Boys who made this enormous sacrifice for country, 100 years on, the Old Boys' Association, the P&F Auxiliary and the School are joining together to fund a redevelopment of this precinct to raise its profile and also recognise the service of Old



The War Memorial Library was formally opened with a golden key by Sir Matthew Nathan on Armistice Day, 11 November 1924.

This octagonal-shaped building in the Gothic Revival style was designed by a past student, architect John Barr.

The entrances to the building are under the windows Victoria (Victory) and Pax (Peace). Inside are plaques on either side of the main entrance listing the names of Old Boys who made the ultimate sacrifice.

By the late 1960s the building could no longer accommodate the School's growing collection of books. It was converted into a museum when the Centenary Library opened in 1969.

From the Chairperson *(Continued)*

Howard Stack

Boys in other conflicts. This modernisation is also timely as 11 November 2018 will mark the 100th anniversary of Armistice Day.

The past continues to shape our future in another important way. The teaching of the sciences has arguably been the cornerstone of the School's academic success from our very beginning. This focus dates back to 1910, when the School sold off valuable land to finance the building of its first science block. Following a succession of upgrades, we are poised to embark on our most substantial capital project in the School's history. In the early 2020's, our Spring Hill campus will witness the phased construction of an ambitious new precinct, which will integrate the disciplines of science, technology, engineering, arts and mathematics in one state of the art facility. The STEAM concept, far beyond a building, is really a way of thinking and working in the twenty-first century. The Arts offer divergent yet necessary ways of seeing and knowing, adding the essential creative dimension that makes the engineered world more appealing.

As has often been the case in the past, we will need support from our community to build what we believe is necessary. It will transform the School, and lay the foundations for teaching and learning well into the 21st century. We have made this investment

decision believing that a STEAM education remains at the core of what we do at Grammar.

Deeply embedded in our history is also a belief that diversity of access is an important part of who we are, stemming from our first days in 1868 when Sir Charles Lilley championed free education for all students in the colony. However, that was beyond the financial capacity of the fledgling colony, and so, from the beginning, Brisbane Grammar became a mix of both fee paying boys but also boys funded by the then colonial government whose parents could not afford to pay fees. This diversity in our student population continued in significant proportions until the 1960s when state government support for grammar schools scholarships ceased.

Successive Boards of Trustees have attempted to carry on these worthy egalitarian traditions by providing a limited number of needs-based bursaries in every year group, funded out of general revenues. However our capacity to do so to the extent we would like is constrained by the need to keep fees as low as possible.

Accordingly, we have launched a major fundraising initiative to grow our Bursary Fund from its present sum invested of \$8 million, to \$20 million by 2020. Our goal is, by 2020, to have a minimum of 100 needs-based bursaries available that



are wholly supported by the investment earnings of our Bursary Fund, with no impact on fee-paying families.

I am delighted that this goal is being embraced both top down by Old Boy year groups, and pleasingly bottom up by our graduating classes of 2016 and 2017. We believe this activity will mark the beginning of a Brisbane Grammar tradition which reaffirms and cements in place Sir Charles Lilley's goal of open access to a Brisbane Grammar education.

Supported by my generous, dedicated and capable fellow Trustees, I look forward to continuing the proud and enviable traditions of Brisbane Grammar School.



An impression of the STEAM building and associated redevelopment of the western boundary of the School.

From the Headmaster

Anthony Micallef

It has been another amazing year of engagement from the BGS community.



I am pleased to share with the community an extensive catalogue of achievements and advancements in 2017. The year started with the news that the 2016 graduates attained exceptional academic results and set new benchmarks. The NAPLAN results were also excellent and further reflect the strong academic culture of the School.

While we are preparing our boys to be the thinkers and leaders of tomorrow, we are also preparing them for a changing and challenging world. Developing multi-literate students who are critical, reflective and creative thinkers in an environment of professional collaboration and exemplary instructional practice is the School's core mission.

As a place of learning, the School continues to invest heavily in our teachers. We are seeing the outstanding results that can be achieved by collaborative teaching teams using systems of feedback that promote teacher wellbeing, increase professional knowledge and refine and improve classroom teaching skills.

In the last decade, education in Australia has undergone significant reform. While we have incorporated these mandated changes, we also continue to examine new practices that augment student wellbeing and parent education. A key factor in this partnership with parents has been the School's investment in a digital wellbeing platform called *Connecting, Informing*

and Empowering Parents. This resource further signifies the School's commitment to assisting parents to raise socially and emotionally competent young men.

The School's public purpose program has captured the imagination of BGS students. Through our membership of International Young Leaders' Forum, International Boys' Schools' Coalition and exchange programs, our students travel abroad for language, cultural, sporting, history, science, music and service learning opportunities.

The Board of Trustees and Senior Leadership Team are excited by the delivery of our master plan.

The School has a partnership with schooltv.me



From the Headmaster *(Continued)*

Anthony Micallef

The most significant development in the School's history is in the planning stages. It will involve the phased construction of an ambitious precinct that will integrate the disciplines of science, technology, engineering, art and mathematics in one state of the art facility, set to transform the Spring Hill campus. In the immediate future, we also plan to invest in additional facilities at our Northgate sports complex and to invest wisely in expanding and upgrading our cultural facilities.

BGS maintains a wide-ranging extracurricular program, with students participating in vast numbers. In sport and activities, GPS premierships were won in swimming, debating, cross country and gymnastics. Our Senior A debaters also won the Queensland Debating Union competition and BGS was named the champion school. Of special

note was that 86 BGS students earned selection for their state or country in an extraordinary range of activities in 2017.

The School's cultural program was again imposing. Grammar in Concert was an outstanding exhibition, which celebrated individual and group performances. The Senior and Junior School dramatic productions saw another sell-out theatre season. Similarly, the Art program has delivered high-quality exhibitions.

It has been another amazing year of engagement from the BGS community. Next year signifies the 150th anniversary since the School's foundation in 1868. The history of our 150 years by distinguished schools' historian and author Helen Penrose is almost complete.



This palpable sense of community is only possible through the efforts of the many people who have supported our school. Our incredible parent support groups contribute to the School in so many ways. I also make special mention of the BGS families who have contributed to our 2020 campaign to grow our Bursary Fund.

In conclusion, I would like to thank the entire BGS community for their collective efforts in making 2017 another wonderful year.

2018 redevelopment plans for the Northgate playing fields



Strategic Intent 2015 - 2017

Brisbane Grammar School is committed to a liberal education philosophy. Our major goals for each boy are:

- to develop attitudes, skills, and a base of knowledge as a foundation for critical intelligence, imaginative and creative powers, effective communication and the capacity and enthusiasm for independent, lifelong learning
- to develop and extend personal character and talents
- to develop a strong sense of service, community, leadership and loyalty to others.

To achieve these goals, the School seeks to provide:

- a broad and balanced academic curriculum in which each boy is challenged to do his best
- highly competent teaching staff who are committed to the School's purpose
- a disciplined and supportive environment for learning
- a broad program of cultural, intellectual and outdoor activities
- sporting activities where boys are encouraged to strive vigorously for success, but always within the finest traditions of sportsmanship.

The School is committed to the personal and social development of each boy. It recognises that education is a responsibility shared between the School and the home, and promotes effective communication between the School and families.

1	Educational Leadership	Leadership in research-driven teaching, learning, wellbeing and extracurricular practices.
2	Culture	Maintain and enrich a culture of collaboration and care.
3	Infrastructure	Preserve and develop infrastructure to enable all programs and activities.
4	Financial Sustainability	Safeguard a sustainable financial position that supports the School's progress.
5	Community Relations	Ensure that the Brisbane Grammar School brand is synonymous with excellence in education.

In aiming to provide these experiences and achieve these outcomes, the School's strategy, *Strategic Intent 2015 - 2017*, has five pillars, designed to support the School's progress in achieving its aspiration:

Brisbane Grammar School aspires to be the best school for boys in Australia, and an international leader in teaching and learning. The School is committed to offering premium educational and leadership opportunities for boys of all backgrounds, to strengthen its global connections, and to build a vibrant school community among students, parents, staff, Old Boys and the broader society.

Strategic Intent 2015 - 2017 also addresses the Queensland Government's objectives for the community, especially:

- delivering quality front line services
 - achieving better education and training outcomes
 - supporting disadvantaged Queenslanders
- creating jobs and a diverse economy
 - ensuring safe, productive and fair workplaces.

1 Educational Leadership

Leadership in research-driven teaching, learning, wellbeing and extracurricular practices.

Strategic priorities

Selected highlights of activities in 2017

Academic

- blended learning
- Senior assessment and tertiary entrance
- several BGS teachers involved with the development of new QCAA syllabuses and assessment instruments as expert writers and assessors
- BGS participated in QCAA Year 11 assessment trials in Visual Art and French
- Curriculum Advisor appointed
- Coordinator of Learning Analytics appointed

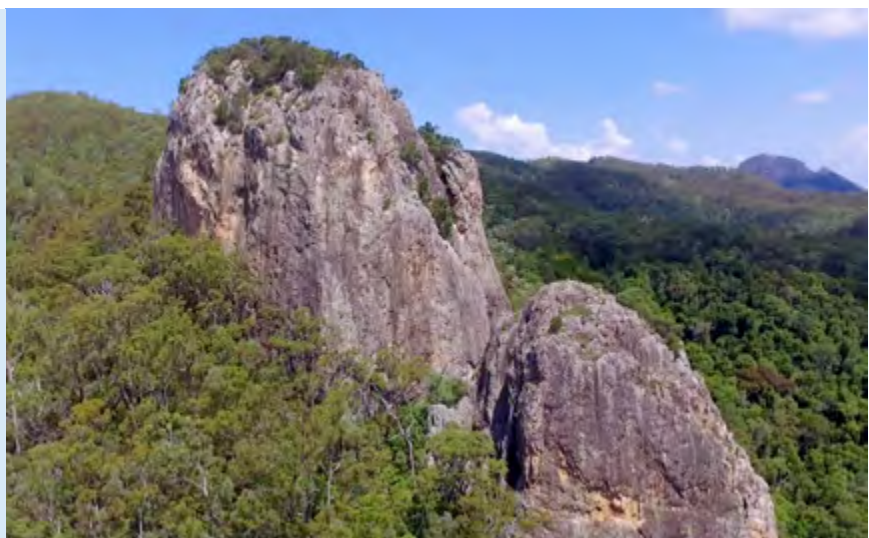
Student wellbeing

- residential care
- individual care
- student leadership
- Public Purpose and global citizenry
- Outdoor Education
- Indigenous programs
- new boarding house staffing model developed for 2018
- Pulpit Rock and Mt Alford properties purchased
- Gender Respect Project: partnerships developed with several girls schools
- launch of the Reflect Reconciliation Action Plan
- establishment of a Child Protection Committee
- appointment of a Director of Student Wellbeing Programs
- developed a plan for the implementation of wellbeing processes to coincide with the introduction of the new assessment system

Extracurricular

- sporting programs
- cultural programs
- BGS students participated in all GPS activities
- GPS Premierships won in cross country, debating, gymnastics and swimming.

BGS acquired new land (Pulpit Rock) for the Outdoor Education Program.



1 Educational Leadership

Leadership in research-driven teaching, learning, wellbeing and extracurricular practices.

Strategic priorities

Selected highlights of activities in 2017

Development and performance

- comprehensive teaching and leadership development
- Framework for Teaching
- new teachers' mentorship
- site based research into establishing classroom routines undertaken
- 'Professional Buddies' appointed for new teachers
- teaching mentors appointed for new teachers

Middle schooling

- learning analytics
- Middle School curriculum
- student leadership
- developing systems to track student progression in literacy, student 'dashboards'
- progress in aligning curriculum and pedagogy with whole school Effective Thinking Cultures agenda
- Learn2Lead Program in Years 7 and 8.

Teachers engaged in professional learning.



2 Culture

Maintain and enrich a culture of collaboration and care.

Strategic priorities

Selected highlights of activities in 2017

- | | |
|---|---|
| <ul style="list-style-type: none"> ensure that BGS vision and values are embraced by BGS community | <ul style="list-style-type: none"> BGS website content refreshed BGS brand socialized among internal and external community |
| <ul style="list-style-type: none"> commence research and writing of sesquicentenary history of the School | <ul style="list-style-type: none"> school history completed |
| <ul style="list-style-type: none"> implement Sesquicentenary Celebrations (2018 - 2019) | <ul style="list-style-type: none"> increased community engagement B150 microsite developed and launched |
| <ul style="list-style-type: none"> provide opportunities for student access (bursarial, Indigenous and general excellence) | <ul style="list-style-type: none"> grow year group bursary program reach 50% of target for 2020 campaign (\$20M endowment fund) |
| <ul style="list-style-type: none"> establish closer ties with BGGS | <ul style="list-style-type: none"> BGGS and BGS working party of Board members and SLT members met to consider joint facilities and collaborative operational opportunities. |

149



years since the founding of Brisbane Grammar School, Brisbane's first public secondary school



3 Infrastructure

Preserve and develop infrastructure to enable all programs and activities.

Strategic priorities

- compose comprehensive master plan
- investigate STEAM precinct

Selected highlights of activities in 2017

- master plan presented to and endorsed by Board of Trustees in September
- conceptual designs and high level costings for the STEAM precinct prepared
- funding strategy for the STEAM precinct developed as part of school's master plan
- Board of Trustees approved STEAM town planning mechanism to be executed in 2018.

4 Financial Sustainability

Safeguard a sustainable financial position that supports the School's progress.

Strategic priorities

- optimal financial wellbeing
- build boarding capacity
- identify economies of scale

Selected highlights of activities in 2017

- 20-year financial projection prepared to underpin the masterplan endorsed by the Board of Trustees
- partnership with Audi Brisbane confirmed for 2017 and 2018
- five-year strategic plan for Boarding prepared for approval by Board of Trustees in 2018
- the School's commitment to Boarding endorsed by Board of Trustees
- combined procurement opportunities were identified in consultation with Brisbane Girls Grammar School for execution in 2018 and beyond.

5 Community Relations

Ensure that the Brisbane Grammar School brand is synonymous with excellence in education.

Strategic priorities

- develop marketing strategy
- enhance communication and publications
- plan for BGS150 Celebrations 2018 - 2019
- commence Campaign 2020

Selected highlights of activities in 2017

- marketing strategy developed to support BGS150 celebrations
- BGS brand refresh implemented
- BGS website refreshed to make mobile responsive
- BGS150 website launched
- *Grammar News* refreshed
- finalised BGS150 celebration planning, with Gala Dinner on 3 March 2018 sold out
- \$170,000 raised from sponsorship and grants
- raised \$3.8m and received \$1.8m.

2017 Review

Enrolments

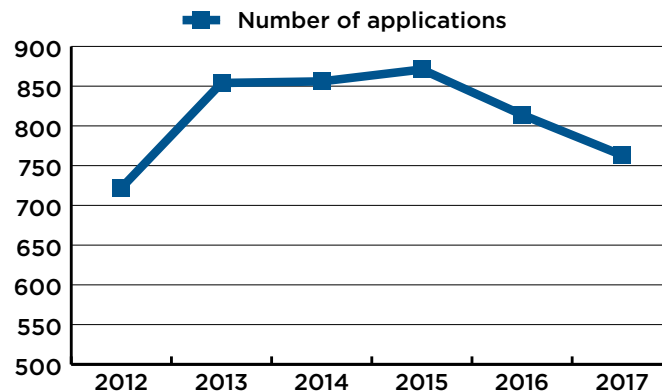
The School uses four key indicators to measure its Enrolments Office performance. They are: a sufficient pool of enrolments to ensure optimum school size; the number of enrolment applications each year; the population of students; and the diversity of, and accessibility for, students.

Enrolments pool

The School has two major intake years, Year 5 and Year 7. The School ensures key touchpoints throughout the two and a half years prior to entry are prioritized, to maintain engagement and reduce attrition. These include key community events such as Open Day and strategic communication through *Grammar News*. It starts processing enrolment applications approximately two and a half years before the student's commencement year, and at that time the School will be advised of a number of cancellations due to various family factors such as relocation. Monitoring of future enrolments show there is a satisfying number of applications in the intake years between 2020 and 2029, allowing for the usual rate of cancellations.

Enrolment applications per year

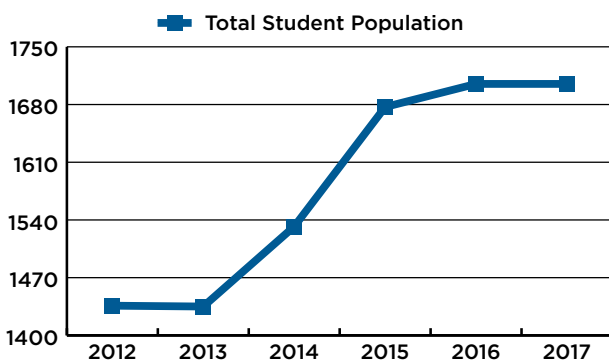
As well as future enrolments per commencement year, the School monitors its enrolments by considering the number of enrolment applications processed in each calendar year, for all commencement years. The number of applications per year for each of the past few years is shown in Graph 1.



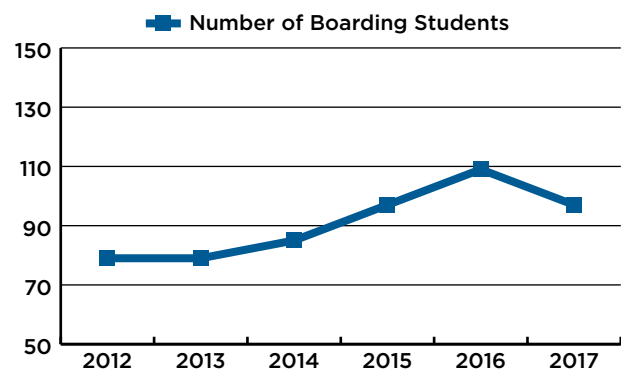
Graph 1: The number of enrolment applications processed each calendar year (all entry years).

Population of students

As with all schools in Queensland, the population of students at the School has undergone significant changes since 2013 in preparation for moving Year 7 into secondary school from the beginning of 2015. The following graphs show the changes in the student population from 2012 to 2017.



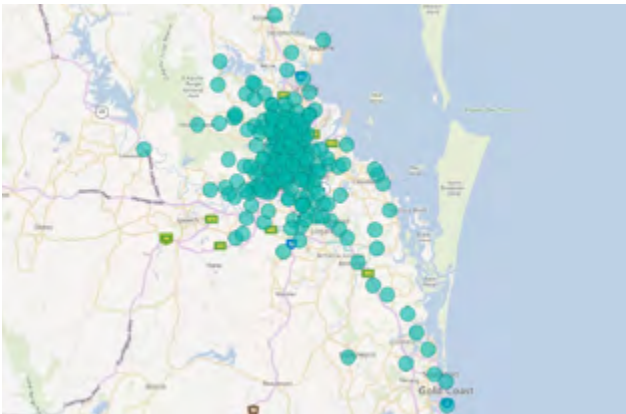
Graph 2: The total student population at the School. Note: Year 5 joined the School in 2014 and Year 7 increased to a full year group size in 2015.



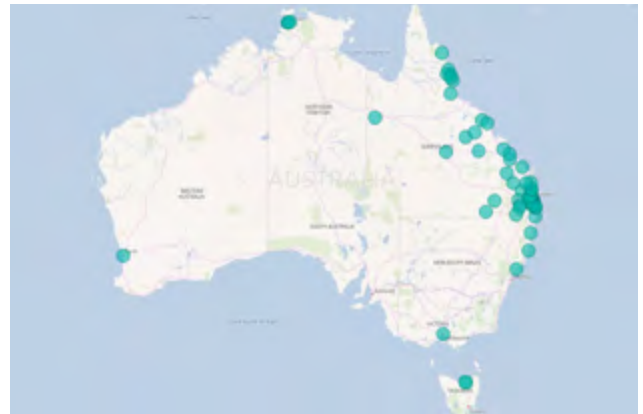
Graph 3: The number of boarding students 2012 - 2017 (December figures).

Diversity and accessibility

The School is proud of the diversity of its students, and acknowledges this diversity enhances the rich social culture at the School. During 2017, the student population was drawn from a wide geographic spectrum within the greater Brisbane area and nationally. There were also nearly 70 students from other countries, the vast majority of whom were temporary or extended residents of Australia. There were 13 full fee-paying overseas students, including five in the boarding house. The following maps show the geographic distributions of students' home addresses, and international origins for those travelling on other countries' passports.



Map 1: The distribution of students within the greater Brisbane area.



Map 2: The distribution of students within Australia.



Map 3: The distribution of students with other countries' passports.

Academic

Brisbane Grammar School believes in cultivating a learning culture rich in intellectual challenge, engagement and support. Developing multi-literate students who are critical, reflective and creative thinkers in an environment of professional collaboration and exemplary instructional practice is the School's core mission. The academic program at BGS is a carefully structured and coherent embodiment of the principles of a liberal education. A BGS education is one where boys have opportunities to develop critical intelligence, imaginative and creative powers, and effective communication.

These skills, dispositions and capacities inform the School's programs to best equip BGS students with the generic skills of information seeking, critical appraisal, collaboration and teamwork; skills essential to students successfully navigating the inexorable changes in work and society that will define their future.

The School measures its progress in achieving these objective with these indicators:

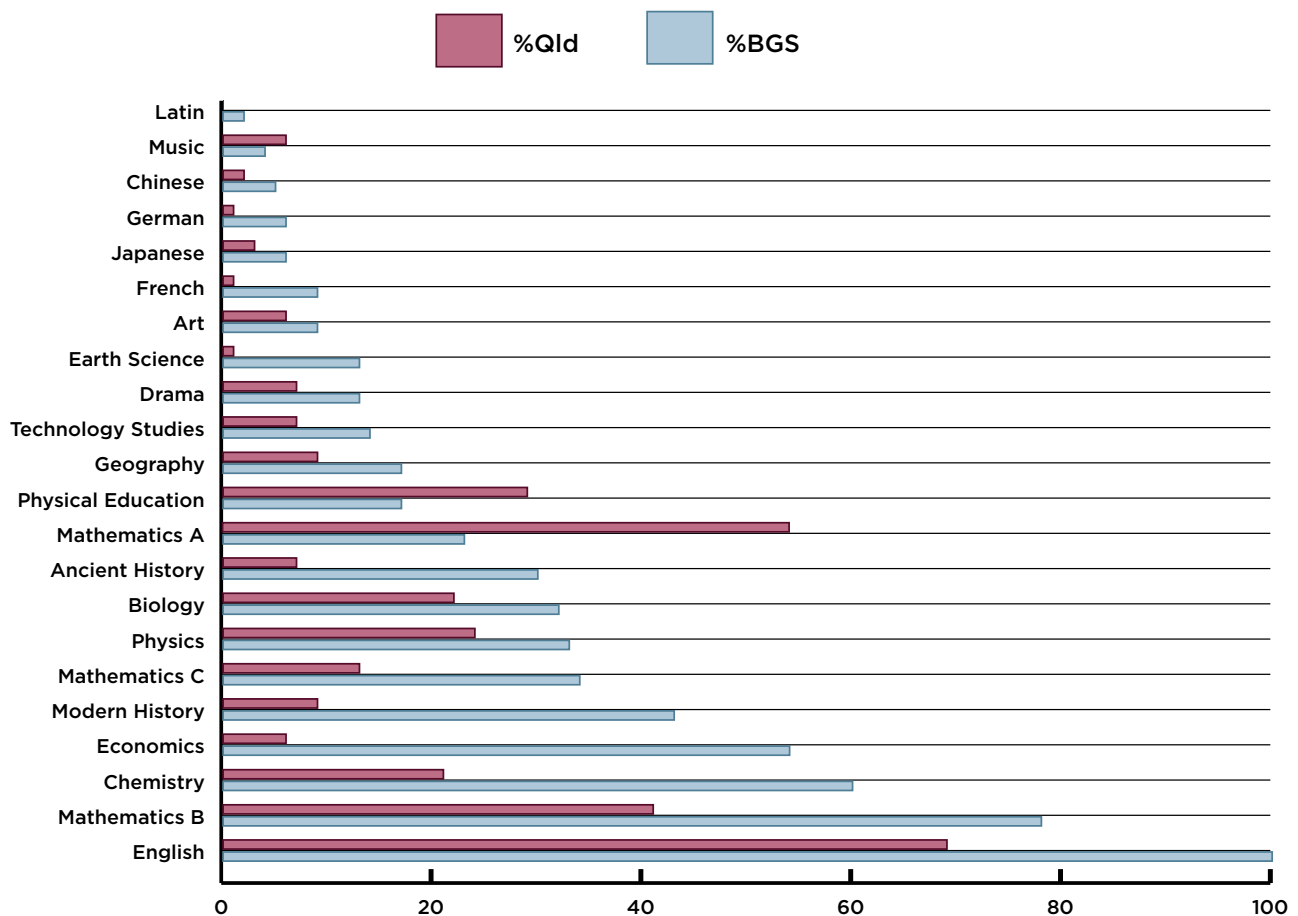
- broad liberal education
 - senior secondary subject enrolment patterns
 - post-secondary destinations
- multi-literate students
 - Years 5, 7 and 9 students' performance on the National Assessment Program (NAP)
 - Year 12 students' performance on the Queensland Core Skills Test (QCST)
- critical, reflective and creative thinkers
 - Year 12 students' performance on the QCST
 - Year 12 students' outcomes
- learning and understanding
 - Years 5, 7 and 9 students' performance on the NAP
 - Year 12 students' performance on the QCST
 - Year 12 students' outcomes
 - post-secondary destinations.

Broad curriculum

Brisbane Grammar School's founding mission in 1868 was to provide a broad liberal education to the young men of Queensland and as a twenty-first century learning community it remains committed to this approach. Students must retain breadth across their program of study, as a range of academic endeavours undertaken, with sharply focused depth within each discipline, develops the effective thinking, intellectual range and durability in learning that best prepares young men for success in an uncertain future. Advice offered to parents of boys in Year 10 choosing senior subjects is to choose a broad course of study that aligns with individual academic interests and strengths, and that maximises options and opportunities after school.

Years 5 to 10 have a core curriculum, which all students must study. This includes the core subjects of English, Mathematics, Science, History and creative subjects (Visual Art, Music, Design and Drama), languages other than English (Spanish, French, German, Mandarin Chinese, Japanese and Latin), Geography and Physical Education.

In Years 11 and 12, students choose from a range of disciplines in keeping with the School's commitment to a broad liberal education, and the students' choices of elective study areas compare favourably with state wide choices by males in Year 12, as shown in Graph 4.



Graph 4: A comparison of the percentage of students enrolled in senior subjects – BGS and Qld.

NAPLAN

NAPLAN is an annual assessment for all students in Years 3, 5, 7 and 9. It tests the types of skills that are essential for every child to progress through school and life. The tests cover skills in reading, writing, spelling, grammar and punctuation, and numeracy¹. The assessments are undertaken every year in the second full week in May. The National Assessment Program (NAP) is the measure through which governments, education authorities, schools and the community can determine whether or not young Australians are meeting important educational outcomes. NAPLAN is intended to be used by schools for:

- driving improvements
- accountability²

The tests have been referenced to the National Statements of Learning for Mathematics and English. Additionally, individual student and group results, together with school-based assessments and other data, will be used to inform curriculum development and to improve student learning.

The real value of NAPLAN is to be found in the opportunities for improvement that the data potentially provide. Brisbane Grammar School applies its systems of learning analytics to identify trends in and across year groups and to focus on detailed information about how individual students are performing and thereby intervene positively in their learning. NAPLAN data also provide an additional suite of evidence to the other measures of student progress we use, thus enhancing the school's capacity for evidence-based decision making about curriculum, resourcing and classroom instruction.

Source:

1. Australian Curriculum, Assessment and Reporting Authority 2016, National Assessment Program, Australia, Viewed 9 August 2017, <<https://www.nap.edu.au/naplan>>
2. ACT Government 2016, Education Directorate, Canberra, Viewed 9 August 2017, <https://www.education.act.gov.au/teaching_and_learning/assessment_and_reporting/national_assessment_program_nap>

The highlights of the 2017 testing for Brisbane Grammar School include:

- best performed school in Qld overall in Year 9
- best performed school for boys in Qld across all measures in years 5, 7, 9
- best performed school in Qld in Numeracy in years 7 and 9.

NAP results – Year 5

The Year 5 results for 2017 are very strong overall, with results in all domains above those of the previous year. This cohort would appear to be particularly strong, with the average score in all areas being above or near the school's previous highest scores. While improvements in Grammar and Punctuation and in Reading over results in previous years are noteworthy, it is important to recognise that, as an entry point to the School, Year 5 cohort variation will be a determining factor year-to-year and the scope for significant improvement is necessarily limited by the time available between school commencement in January and NAPLAN testing in May. The overall performance relative to the benchmark national minimum standard (NMS) expressed as a % of cohort is typically strong, with one student identified as below the NMS in Writing.

Year	Cohort	Reading		Writing		Spelling		Grammar/ Punctuation		Numeracy		Total
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	
5	Qld	506	95	461	90	497	94	496	93	490	96	2450
	Aust.	503	94	473	92	501	94	499	92	494	95	2470
	BGS	599	100	519	99	554	100	604	100	577	100	2853

Table 1: A comparison of average NAP performances and percentages of students at or above the NMS in Year 5 for BGS, Queensland and Australia.

NAP results – Year 7

The Year 7 results for 2017 compare favourably with the school's historical averages but are lower than those achieved by the 2016 cohort. The school has responded to the two students identified as below the NMS in Grammar and Punctuation and the three students below the NMS in Writing through the implementation of appropriate intervention strategies for these individuals. All other students were above the NMS in all areas and the overall results, particularly so in Numeracy, can be considered strong.

Year	Cohort	Reading		Writing		Spelling		Grammar/ Punctuation		Numeracy		Total
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	
7	Qld	540	94	503	85	546	94	538	92	549	96	2676
	Aust.	546	94	513	88	550	93	542	92	554	95	2705
	BGS	612	100	562	99	604	100	615	99	643	100	3036

Table 2: A comparison of average NAP performances and percentages of students at or above the NMS in Year 7 for BGS, Queensland and Australia.

NAP results – Year 9

The overall Year 9 results for 2017 compare very favourably with our historical averages and with like schools in the state. Numeracy remains, consistently, the area of strongest achievement, while Writing, as is typical for boys’ cohorts, remains relatively the weakest. The 3% of boys below the NMS in Writing, while significantly and pleasingly above the 23% in Queensland who are measured as being below, triggered further investigation, analysis and intervention by the school. One interesting outcome for our curriculum planning and preparation is that the majority of the students who performed below the NMS in NAPLAN Writing found a particular difficulty with the application of writing strategies to the restrictive format of the unseen prompt, unknown genre and on-demand format rather than exhibiting specific literacy deficits.

Year	Cohort	Reading		Writing		Spelling		Grammar/ Punctuation		Numeracy		Total
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	
9	Qld	575	91	539	77	577	91	574	88	585	96	2850
	Aust.	591	92	532	82	582	91	574	89	592	96	2871
	BGS	645	100	621	97	638	91	655	100	672	100	3231

Table 3: A comparison of average NAP performances and percentages of students at or above the NMS in Year 9 for BGS, Queensland and Australia.

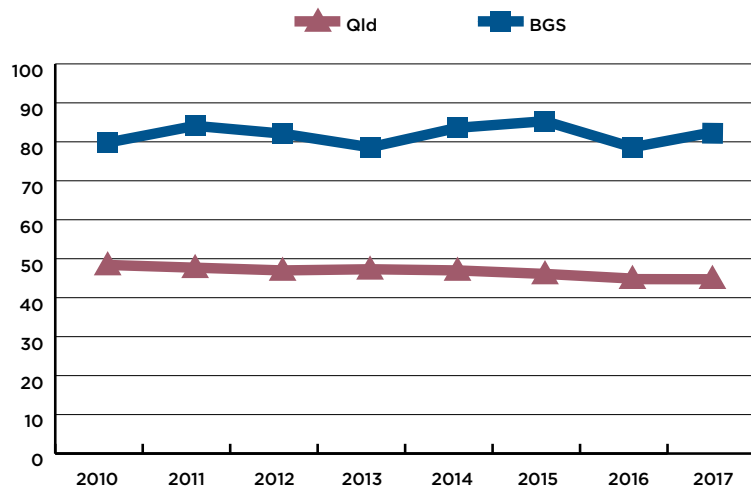
Outcomes – Year 12

Queensland Core Skills Test

100%
of 2017's Year 12 students were OP eligible

In 2017, the Year 12 students' performance on the Queensland Core Skills Test was in keeping with previous years' results. 82.9% of Brisbane Grammar

School students received an A or a B on the 2017 QCST, compared with 45.1% of all Overall Position (OP) eligible students in the state. The graph shows a comparison of the results of Brisbane Grammar School students and OP eligible Queensland students from 2010 to 2017.

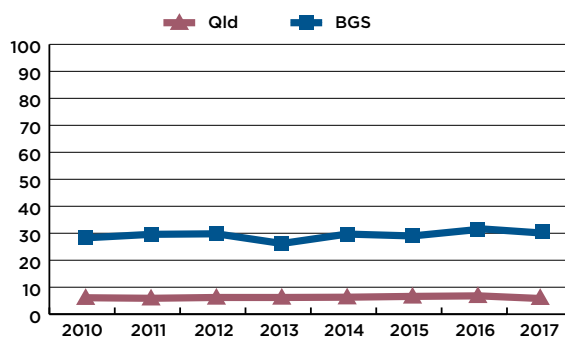


Graph 5: Year 12 students' performance on the Queensland Core Skills Test.

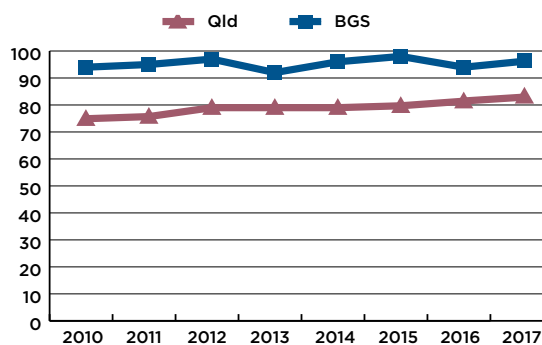
Overall positions

30%
of 2017 Year 12s earned an OP 1 or 2

The School is proud of the outcomes achieved by the 2017 Year 12 students. In keeping with the recent past, 30% of Year 12s received an OP 1 or 2 and the median OP was 4. The following graphs show the percentage of students from Brisbane Grammar School in OP bands 1-2 and 1-15, compared with the percentage of students in the state in these bands from 2010 to 2017.



Graph 6: The percentages of Brisbane Grammar School and Queensland students receiving OP 1 or 2. (2017 results provisional).



Graph 7: The percentages of Brisbane Grammar School and Queensland students receiving OP 1 - 15. (2017 results provisional).

Post-school pathways

98.4%
of 2017's Year 12 received a tertiary offer

Year 12s post-school destinations by provider

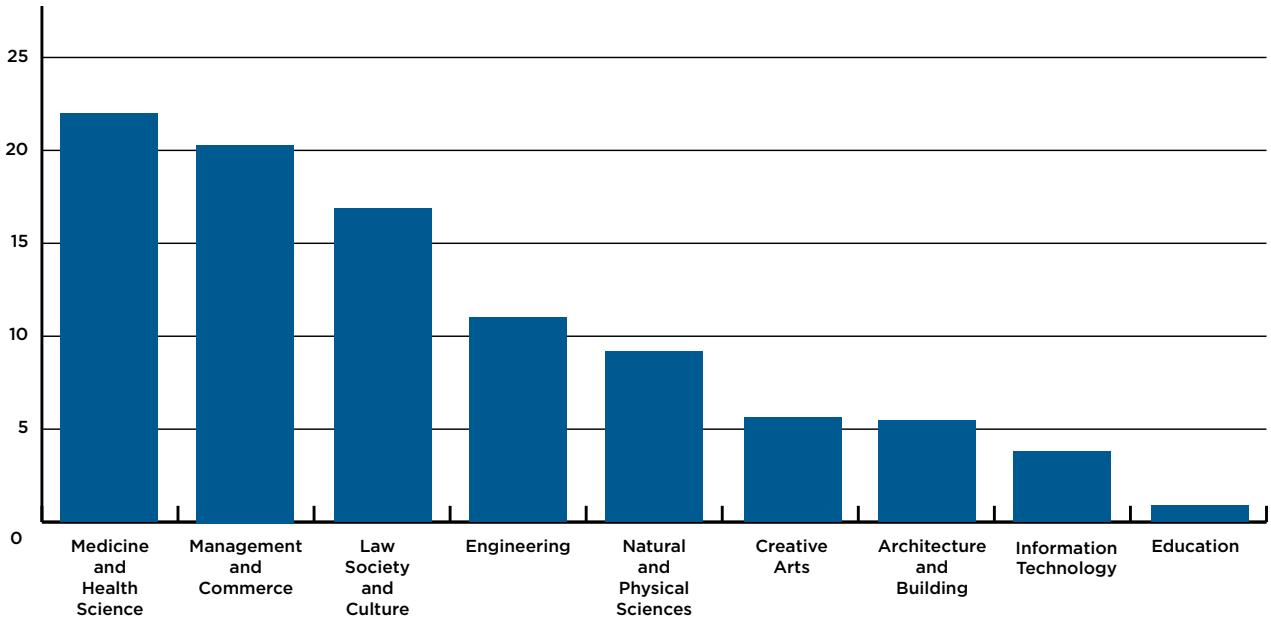
In the main, Brisbane Grammar School students are working towards further study. In 2017, 98.4% of students received an offer from the Queensland Tertiary Admissions Centre (QTAC), with the overwhelming majority (96.8%) receiving an offer for further study at a university.

	2010	2011	2012	2013	2014	2015	2016 ¹	2017
University	95.1	96.3	96	94.3	96.8	98.8	97.3	96.8
TAFE	4.1	2.1	2	3.7	0.4	0.8	0.4	1.6
Workforce	0.8	1.2	1.5	1.6	1.2	0	1.2	1.6
Other	0	0.4	0.5	0.4	1.6	0.4	1.2	0

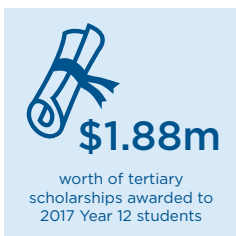
Table 4: The percentage of Year 12 students' destinations by tertiary provider.
¹ The 2016 percentages total 100.1 due to rounding.

Year 12s' post-school destinations by area of study

2017 Brisbane Grammar School students' areas of study are shown in the following graph. The areas of study selected by the School's most recent Old Boys closely align with the Queensland Government's action plan for education in Queensland, *Advancing education*, with 54% of 2017's Year 12s moving into study areas involving science, technology, mathematics, engineering and the creative industries.



Graph 8: The percentage of 2017 Year 12 students selecting particular areas of study at university.



During 2017, the School learned that the 2016 Year 12s were offered over \$1,360,000 worth of tertiary scholarships. The outcomes for the 2017 year 12s provided further good news with 26 boys in this year group receiving scholarship offers totalling \$1,880,000 from a range of institutions including The University of Queensland, Griffith University, QUT, The University of Sydney, The University of Melbourne, Monash, The Australian National University and others.

Seven Year 12 students from 2016 were offered places at overseas universities including Oxford, University College London, The University of Hong Kong and various USA institutions. Some students who received overseas offers also received substantial scholarship offers locally.

Information on overseas offers for 2017 Seniors will be available later this year and include pending applications at The London School of Economics, The University of Pennsylvania and Princeton.

Student wellbeing

An integral part of the mission of Brisbane Grammar School is the care of each member of its community.

A formalised student wellbeing structure, which includes a dedicated student wellbeing team, supports this mission for students. Every individual's progress through all areas of school life is monitored, together with additional case management of boys with particular needs.

The School is committed to a culture that nurtures and encourages the ongoing development of global citizens, who are thoughtful young men of character and who contribute to their communities.

The School uses a number of indicators to monitor the wellbeing of its students. These indicators include:

- social and emotional wellbeing audit
- safety audit
- student sleep study
- student attendance rates
- student retention rates
- students' involvement in public purpose initiatives.

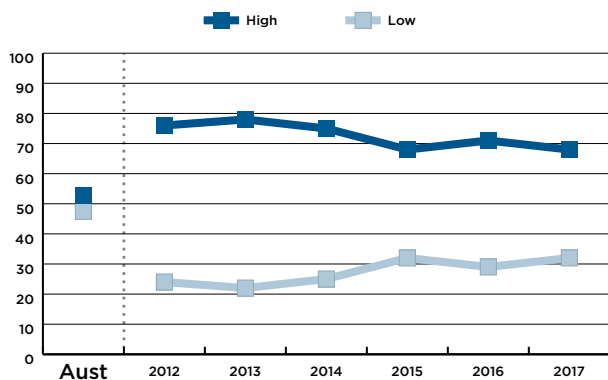
Wellbeing audit

Brisbane Grammar School regularly conducts an audit of the psychological wellbeing and safety of students each year. These are undertaken in the critical junctures of Years 8 and 10, as students are preparing to leave the Middle School (Year 8) or commence their senior phase of learning (Year 10). The School uses the ACER Socio-Emotional Wellbeing (SEWB) survey in which students are asked to indicate their level of agreement with 94 statements on a four-point scale (strongly agree, agree, disagree, strongly disagree). ACER's SEWB provides comparative data for an Australia-wide sample of students with the same grade level and gender. In 2017 the ACER Social-Emotional Wellbeing Survey was extended to include Year 11 students.

Overall SEWB

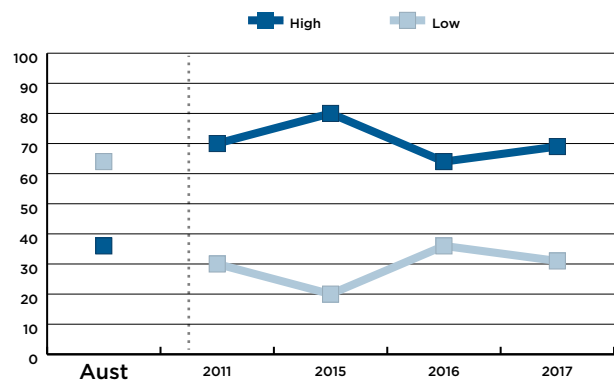
Students with high overall levels of SEWB typically have more positive (and hence less negative) emotions and behaviours, higher levels of emotional, social and learning skills, and perceive greater levels of connectedness with their school, family and community. The graphs below show the levels of SEWB in Years 8, 10 and 11 compared with Australia-wide measures.

Year 8



Graph 9: The overall Socio-emotional Wellbeing for Year 8 students in Australia and BGS.

Year 10



Graph 10: The overall Socio-emotional Wellbeing for Year 10 students in Australia and BGS.

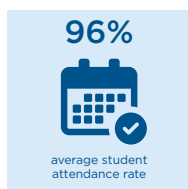
Safety audit

An annual safety audit collects data on the instances of bullying and perceptions of the effectiveness of the School's management of these issues. In keeping with the results of the safety audit in previous years, the reported instances of behaviours interpreted as bullying compare very favourably with the Australian average of 28.2% as reported in the current Australian Bullying Prevalence Study (Years 5 to 9 males) conducted by Edith Cowan University and commissioned by the Australian Government Department of Education.

Sleep Study

The school introduced a sleep study to monitor this important aspect of wellbeing. The initial study's data helped shape an education program for students, staff and parents. This base data will help measure the effectiveness of the School's education program over time, as well as shape the education program for the community. The study found:

- Years 9 to 12 students get less than the recommended hours of sleep.
- Older students go to bed later, and show more variability in the time they go to sleep and the time they wake up.
- 51% reported a very poor to average state of restedness.
- 39% reported very poor to average sleep.
- 55% of all students report using digital devices prior to bed.



Student attendance rates

Brisbane Grammar School manages student attendance through period by period electronic roll marking with follow-up notification to parents (by SMS or telephone) of student absence. This system ensures an accurate tracking tool as well as the ability to produce accurate attendance data. The data regarding student attendance rates in the following table show that attendance rates for students remain consistently high.

Year	2012	2013	2014	2015	2016	2017
Attendance rate (%)	96	96	96	95	96	96

Table 5: The average student attendance rate (%) from 2012 to 2017.

Student retention

A key element of the School's approach is the provision of a seamless and increasingly sophisticated and challenging program across all years. The outcomes that the students achieve at the end of their secondary schooling are the culmination of their and their teachers' work during their entire time at the School. The School monitors the rate of student retention at the key junctures of Year 8 into 9 and then from Year 10 to 12, and the following table shows these retention rates over time.

Transition	2012	2013	2014	2015	2016	2017
Year 8 into 9	98.0%	98.3%	99.6%	99.2%	96.0%	96.1%
Year 10 to 12	97.1%	97.5%	97.1%	97.9%	98.3%	95.4%

Table 6: The students' retention rates at key transitions at the School.

Public Purpose

Brisbane Grammar School has an expanding Public Purpose program. In particular the five-year plan focuses on:

- the development of reflective practices related to student immersion experiences
- providing opportunities for students to access opportunities outside of BGS and for these to be recognised by the School
- establishing longitudinal relationships with key stakeholders connected to public purpose experiences.

During 2017, aspects of these focuses were implemented across a variety of Public Purpose programs including the Year 10 immersion experience in Cambodia. This involved over 60 students and teachers working with villages during the September term break. Other students were involved with Rosies – Friends on the Street, the Closing the Gap committee, Share the Dignity program and Gender Equity committee as well as many other opportunities for involvement in helping others. Students in Year 11 and 12 also have the opportunity to engage in an Indigenous immersion experience to Cape York.

Students involved in the Year 10 immersion program in Cambodia



Indigenous program

In 2017 the Indigenous program built on its strong base and focused on:

- establishing a Reconciliation Action Plan team
- building and implementing the Reconciliation Action Plan
- developing post-school support for Indigenous students
- appointing a BGS Indigenous Liaison Officer
- building stronger partnerships with Cape York Leaders Program
- developing an Indigenous Induction and Leadership program.

Indigenous students at BGS



Extracurricular

The rich extracurricular life at Brisbane Grammar School embraces sport, the visual and performing arts (including music, art and drama) and a range of other cultural activities and special interest clubs.

Extracurricular involvement in the wide variety of activities available is central in the student's overall development as a member of the BGS community, promoting connectedness, skills in teamwork and, potentially, leadership.

The School encourages (without coercion) high levels of participation, achievement and the pursuit of excellence by boys who have particular talents in specific sports and activities. Almost inevitably, and desirably, such involvement promotes an all-roundedness, which the School would view as being entirely congruent with its mission of providing a broad, liberal education.

In annually reviewing its work towards these aims, the School monitors a number of indicators regarding the extracurricular program. These include:

- the diversity of sports and activities on offer
- students' voluntary participation in sports and activities, particularly related to the School's membership of The Great Public Schools' Association of Queensland (GPS)
- data as it pertains to achievement
- students involvement and selection in state and national representative teams
- the number, type and calibre of the visual and performing arts events each year.

Diversity

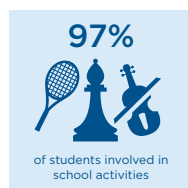
The School remains committed to the ideals of The Great Public Schools' Association of Queensland Inc. and, in 2017, was one of only two GPS schools that participated in all GPS activities on offer. In addition to this array of activities and sports, the School provides over 30 specialist clubs, student committees and activities. Performance Music is by far the largest non-sporting activity and in 2017, the extracurricular music program comprised over 30 bands, ensembles and orchestras providing opportunities for approximately 800 boys from Year 5 to 12.

Sport	Number of teams/crews				
	2013	2014 ¹	2015	2016	2017
Basketball	26	23	30	35	44
Cricket	26	30	35	37	41
Football	29	32	43	47	47
Rowing ²	27	30	26	25	23
Rugby	26	25	24	24	22
Sailing	3	4	5	5	6
Tennis	20	27	32	32	31
Volleyball	16	15	19	21	23

Table 7: This table shows number of teams/crews involved in team based GPS sports.

(¹ Years 5 and 6 became part of the GPS competition in 2014).

(² Years 10 to 12 crews only from 2017).



During 2017, the students' participation rate showed 97% of students were involved in at least one sport or activity during the year. The breakdown by year group in the following table shows a small and understandable decrease in involvement as students progressed through their senior years of schooling.

Year Level	Participation Rate (%)				
	2013	2014	2015	2016	2017
5	-	99	99	98	99
6	98	99	98	99	99
7	97	100	98	95	98
8	95	95	99	98	96
9	95	95	96	95	99
10	94	94	90	93	95
11	95	96	91	93	94
12	92	92	90	90	92
Total	95	96	94	94	97

Table 8: The percentage of students engaged with the extracurricular program.

2017 outcomes

GPS sports and activities are made up of those involving team participation (basketball, chess and the like) and those with culminating championships (for example cross country). The School uses separate measures to track its outcomes in each of these types of activities.

GPS team competition outcomes

Achievement in GPS team competition is monitored by considering the percentage of A teams' wins and the total percentage of all teams' wins across each sport or activity. The 2017 results are recorded in table 9 below. Similarly, the achievement of the School in GPS Championship sports are recorded and the 2017 results are presented in table 10.

Sport/Activity	Percentage of games won	Percentage of 'A' games won
Basketball	41	24
Chess	90	90
Cricket	55	54
Debating	65	75
Football	60	58
Rugby	25	33
Tennis	85	81
Volleyball	58	62

Table 9: The School's achievements in GPS team sports and activities.

The data presented in table 9 sits comfortably inside historical trends for such team sports, with the possible exception of basketball, which has seen a small decline. The School rugby results have seen a little improvement, in an overtly competitive and scholarship-driven environment.



Championship competition outcomes

The School had another outstanding year in sports with culminating championships. A particular highlight was the winning of the GPS swimming championship for the first time since 1977. Rowing was an exception to these other excellent outcomes.

Activity	Result
Cross Country	1
Gymnastics	1
Rowing Old Boys Cup	6
O'Connor Cup	5
Sailing	2
Swimming	1
Track and Field	5

Table 10: The School's achievements in GPS championship events.

These tables show that, as well as offering an extraordinarily diverse extracurricular program, the School's overall performance in GPS competition in 2017 was exceptional. The students and staff at the School won four premierships in swimming, cross country, gymnastics and debating, as well as second placings in sailing, volleyball and chess.

From top left, clockwise: Images of the GPS premiership winning activities: swimming, cross country, gymnastics and debating.



Visual and performing arts

The School's visual and performing arts offerings were again extraordinary during 2017. High quality signature events in music concerts and dramatic productions had a wonderfully professional feel. In 2017, the premiere music production was *Grammar Community in Concert*, held at the St Peters Performing Arts Centre. A very large and appreciative audience was treated to outstanding performances from the School's elite ensembles.

The School's theatre season was again of the highest calibre, with teacher directors, student crews and actors combining to produce three outstanding productions:

- the Senior Dramatic Production *Frankenstein*
- the Junior Dramatic Production - In 2017, a collaboration with Queensland Theatre called *The Scene Project*
- the Middle School Dramatic Production *Fantastic Mr Fox*.

Boys in all year groups were given an opportunity to exhibit works produced in both the curricular and extracurricular art programs.

From top left,
clockwise:
Frankenstein,
The Scene Project,
Fantastic Mr Fox
and *Grammar
Community in
Concert*.



Staff

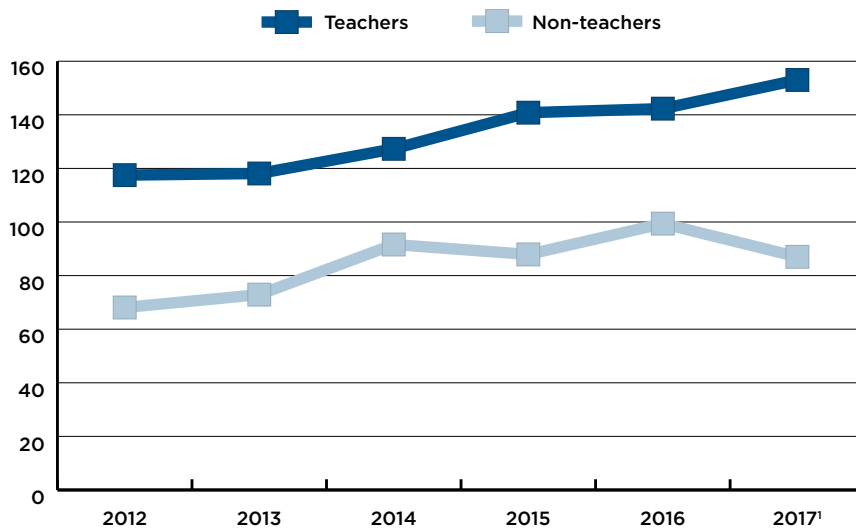
Brisbane Grammar School employs over 250 full-time equivalent (FTE) staff members in the core areas of teaching, professional services, administrative support and general services. All staff, in each of these areas, play a valuable role in enabling the School to deliver on its educational commitment to its students across the three core school programs – academic, extracurricular and student wellbeing.

The cornerstone of BGS’s program is the high quality of the teaching and non-teaching staff the School is able to attract, a significant number of whom remain at the School for many years. The School is committed to the wellbeing and safety of staff in its care.

As indications of the School’s commitment to its people, the School monitors a number of aspects of the profile of the staff, as well as the School’s support of their wellbeing, safety and development, which include:

- the number of staff
- the demographics of all staff, and staff with leadership responsibilities
- separation rates
- human resource practices
- professional learning and development.

Number of staff



Graph 11: The staff numbers (FTE) from 2012 until 2017.

¹ Some variation in the number of full time equivalent staff results from the changes in the staff definitions as required by the Department of Education’s Non-government Schools Census during 2015 – 2017.

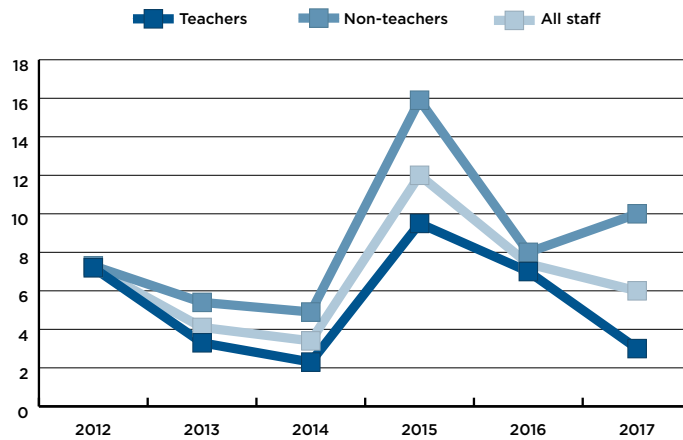
Separation rate

The composition of BGS staff is very stable with many staff remaining employed with the School until retirement. During 2017, 14 members of staff left their employment at the School. The reasons for these departures are shown in table 11:

	Promotional position elsewhere	Family relocation	Retirement	Other	Total
Teachers	0	2	3	0	5
Non-teachers	3	0	3	3	9

Table 11: 2017 staff departures and reasons.

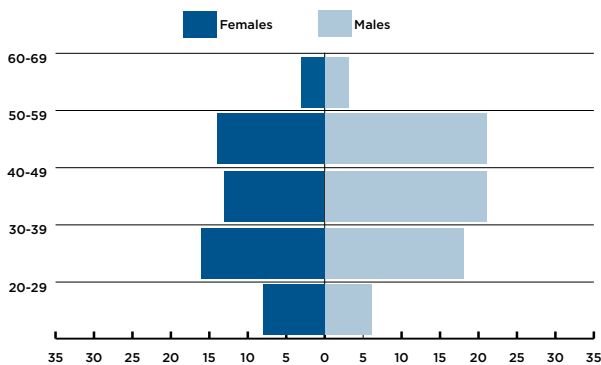
Graph 13 shows the separation rates (numbers leaving as percentages of total staff), during the years 2012 to 2017.



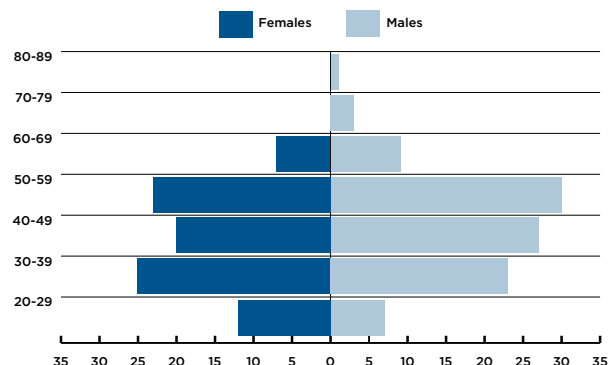
Graph 12: Staff separation rates 2012 to 2017.

Demographics

The School values staff diversity and aims to provide a supportive environment that encourages development of the professional and leadership skills of all staff. The School is very conscious of its role in educating boys about gender respect and equal opportunity. The following graphs show the distribution by age and gender across the whole teaching staff and for those teachers with leadership positions.



Graph 13: Age pyramid of teachers with positions of added responsibility.



Graph 14: Age pyramid of all teachers.

HR practices

Recruitment and engagement

During the year, the School conducted external reviews of its human resource practices. These reviews resulted in general commendation of the School's HR practices, with some recommendations regarding best practice initiatives in recruitment and engagement. These initiatives will be a focus in 2017.

Professional learning and development

Staff professional learning in 2017 involved the refinement and extension of the School's existing programs, and planning and preparation for the future. The School dedicated eight days to formal professional learning activities during 2017, including five in January at the commencement of the school year.

These days were used substantially to develop staff understanding of, and skill in, curriculum development and effective pedagogy, and to induct staff in essential practices in the student wellbeing and extracurricular fields. Specific areas of focus in 2017 included:

- Effective Thinking Culture
 - schema
 - curriculum
 - Framework for Teaching
 - Effective Thinking classroom
- pedagogy
 - uses of feedback
- department collaborative planning (new QCAA curriculum focus)
- teaching as clinical practice

In approximating the value of the School's support of teachers' professional learning, the nominal value of salaries for the eight formal days as well as registration, course fees and travel costs have been included. On this basis, the School's financial support of professional learning during 2017 averaged \$6,193 per teacher.

Advancement and community relations

Advancement and Community Relations (A&CR) at Brisbane Grammar School includes alumni and community relations, fundraising, marketing and communications and archives.

In 2017, A&CR's major objectives included strengthening the foundations already established, building capacity through recruiting key personnel, integrating portfolios to improve support and service internally and externally, and embedding strategic planning and performance management processes.

Other major objectives included planning for the School's sesquicentenary celebrations (BGS150) for 2018 - 2019 and commencing work on Campaign 2020 with a view to increase our endowment fund to \$20 million by 2020.

In 2017, A&CR hosted 26 events in Brisbane, Melbourne and Sydney including reunions, Golf Day, Experience Northgate, Open Day and Celebrating our Community (formerly a Volunteer Cocktail Party) for volunteers, donors and sponsors of BGS. In addition, A&CR finalised the brand refresh and is working on improving communications for all stakeholders by using digital media channels more effectively. Throughout the year, A&CR regularly engaged with over 15,500 community members through the School's various communication platforms and events. There was a noted increase in attendance at events, with positive feedback received.

Strategic planning, process improvement and capacity building continued to be major focuses for the fundraising portfolio. The School raised \$3.8M and received \$1.8M from philanthropic contributions and sponsorships, and identified five new bequest intentions valued in excess of \$200,000.

Volunteers

In 2017, a community of hundreds of dedicated volunteers worked together to assist in providing the best possible education for all students at BGS. These volunteers worked in partnership with the School for the benefit of the boys as seen in many aspects of school life; from the various groups that provide ongoing support for students' involvement in school activities, to the volunteers who make up the Parents and Friends' Association (P&F), which physically and financially supports the boys' education.

On graduation, a boy continues his journey as a BGS Old Boy. Volunteers of the Brisbane Grammar School Old Boys' Association (BGSOBA) foster ties with the School, providing graduating students with lifetime opportunities for professional development and networking.

Parents and Friends' Association

The Brisbane Grammar School P&F has a long history of active volunteering and engagement throughout the BGS journey. They have over 300 volunteers who actively give up their time on a regular basis. The objective of the P&F is to involve all parents in the School community to enhance the experience of boys and their families during their time at BGS, and raise funds to support School activities, resources and projects.

The 2017
BGSOBA annual
reunion dinner



The P&F acts as an umbrella organisation for a number of separate support groups associated with individual sports or activities. The support groups include the Art Committee (art), Hardwood Club (basketball), Willow Club (cricket), Musketeers (fencing), Wembley Club (football), Men's Artistic Gymnastics Supporters (gymnastics), Moogerah (outdoor education), Music Support Group (music), Tipperoo (rowing), Normanby Blues (rugby), Spinnakers (sailing) and the Wimbledon Club (tennis).

A major group is the P&F Auxiliary, which operates the Grammar Shop and Tuckshop with volunteer assistance throughout the year. The Auxiliary provides a service to boys and their parents with the surplus from its operations providing capital for many major projects within the School.

Throughout the year, parent volunteers worked together to host a number of community events to welcome new families, mothers, fathers and grandparents, and host seasonal socials, coffee mornings and the Auxiliary's annual spring luncheon in October, which was attended by over 500 parents.

To celebrate our wonderful community, BGS volunteers, donors and sponsors joined us for our annual 'thank you' function, Celebrating Our Community, in the Newell Quadrangle in October. At this event, the 2017 Betty Howell Awards were presented to two volunteers, past parents Dr Richard Thiele and Mrs Anne Hewitt, for their outstanding and longstanding support of the School.

Our Alumni - The Old Boys' Association

As students transition from being BGS students to Old Boys, their connection with Brisbane Grammar School does not end. By the end of 2017, over 28,000 boys had graduated from BGS, featuring prominently in many fields of endeavour in Queensland, Australia-wide and overseas.

The objectives of the School are to increase the number of alumni it engages each year through various communication channels and events. In 2017, a number of Old Boys spoke to current students to impart their wisdom. International social media speaker and marketing manager Adam Franklin spoke at the School's Foundation Day, and Major General Professor John Pearn made an impact at Speech Day, with an inspirational address to Senior School students and parents.

The P&F Auxiliary's
2017 annual spring
luncheon



Throughout 2017, the School facilitated a number of Old Boy events and reunions locally, interstate and internationally. The largest event in the calendar was the BGSOBA Annual Reunion Dinner in August, which attracted over 160 alumni.

The School hosted seven milestone reunions including 10, 20, 30, 40, 50 and 60-year milestones, as well as morning teas for 1940-49 and 1950-55 Old Boy peer groups.

In addition to the various reunions, the BGSOBA continued to host a professional networking series.

The inaugural event for the year focused on the finance industry, with approximately 60 young alumni in attendance at Blue Sky Alternative Investments, hosted by Old Boy Robert Shand '98. The second professional networking event focused on various disciplines relating to medicine, attracting 40 young alumni. A number of medical practitioners with varying specialisations presented during this event.

A giving community

Brisbane Grammar School was founded on the generosity of early residents who raised sufficient funds to establish Brisbane's first public secondary school. By 1867, subscribers had raised over £1,000, which was matched by the State Government, and approval was given for the construction of Brisbane Grammar School. Since 1869, when BGS first opened its doors to students, the School's ongoing development has been enhanced through the benevolence of its community.

From its early beginnings, the BGS community has established scholarships and prizes, as well as gifts towards infrastructure and programs that benefit the boys.

In March 2017, the School launched Campaign 2020 with a view to increase the endowment fund from \$6M to \$20M by 2020. At year-end, the endowment fund is \$9M. The School received 709 philanthropic gifts from 329 donors and 13 Old Boy peer year groups, raising \$3.8M and receiving \$1.8M through the generosity of our alumni and community. Funds raised included a \$500,000 pledge from the P&F Auxiliary to provide a bursary for a boy in financial need in perpetuity, a \$500,000 pledge from Old Boy Matt McLennan '86 to support refurbishments in the boarding house and \$250,000 from the P&F Auxiliary for the War Memorial refurbishment project.

Industry partnerships of the School and events also supported our bursary program, raising \$20,276 at the Annual Golf Day, and \$56,349 through an Art Union raffle in partnership with the Audi Centre Brisbane.

In addition, A&CR reinvigorated the Great Hall Society and its membership, increasing total bequest intentions to 36, currently valued in excess of \$768,000.

Infrastructure

During 2017, the following infrastructure projects were completed.

Facilities

Indoor Sports Centre energy efficient lighting

Energy efficient LED lighting was installed in the Indoor Sports Centre gymnasium and sports hall. The new lighting system lowers electricity consumption, and provides quality illumination for the School's indoor sports programs and examinations conducted in the venue.

Energy efficient lighting



Child protection audit – campus modifications

In 2016 an external child protection audit was conducted of the Spring Hill campus buildings, and various recommendations from that review are being rolled out.

The focus in 2017 has been to establish clear lines of sight to classrooms and offices (particularly through doors), removal of internal keyed locks, restriction of curtains and blinds, and limiting displays attached to classroom windows.

Campus modifications



SALTO electronic locking system

During 2017, the first phase of the new electronic door locking systems was commissioned in the Middle School, The Lilley Centre, and Harlin House. The new locking system monitors and restricts access to school buildings through the use of staff identification cards.

Electronic door locking system



CCTV security camera roll out

The School has continued the roll out of its extensive network of CCTV cameras, concentrating on the main campus entry/exit points, and vulnerable social space areas. This network is a vital component of campus surveillance and incident investigation.



Security cameras

Administration Block modifications

The former Business Manager and Payroll offices were reconfigured to provide separate office space for the Chief Financial Officer, the Human Resources Officer and the Payroll Officer. The modifications enabled the original veranda to be re-opened, revealing one of the magnificent arch windows of the Great Hall.

Concurrently, the layout of the Advancement and Community Relations office was upgraded to accommodate the increasing requirements of the function.



Refurbishment of the Administration Block

Air conditioning installation - Art department

A new air conditioning installation was designed for the Art Department main studios and mezzanine floor. To minimise disruption to the art program, the installation works were performed in stages during the term breaks.



Art Department air conditioning installation

Spring Hill oval fencing

The roll out of durable steel fabricated fencing, to replace the former chain link fencing to the oval perimeter, continued throughout the year. This quality, low visibility fencing is being standardised across the entire Spring Hill campus.

Oval fencing



Technology

Audio visual – rolling plan

2017 has been a year in which a considerable portion of ageing audio visual systems have been replaced, as part of a five-year upgrade rolling plan.

Eighteen classrooms have been upgraded to include state of the art 75” Promethean touch screens and wireless video connection devices. These screens include a five-year warranty and offer an enhanced classroom experience.

Promethean 75” LCD Touchscreen.

With nearly 20 such units deployed now, this type of screen will become the standard across campus.



The Lilley Centre

The audio visual installations were upgraded in several classrooms in The Lilley Centre and throughout the The Lilley Centre Library and foyer. This included new projectors, drop down screens, and conversion to current HDMI technology.

The Lilley Centre audio visual upgrade



Centenary Building Library

An upgrade of the audio visual installation in the Centenary Building Library was completed, matching that in The Lilley Centre. This has standardised the user experience in both venues.

Audio visual installation



The Music Auditorium

The technology installation in the Music Auditorium was stripped bare and rebuilt with state of the art equipment. Eight new hanging speakers were installed, which has eliminated echo and substantially improved audio quality.

From top left, clockwise:

Scaffolding was required to install a completely redesigned speaker system.

The new digital volume and input mixer.

Eight hanging speakers the length of the room make up the new Bell speaker system. The design means lower volume is required throughout.



Finance

Financial Goals

The School includes among its ongoing financial objectives:

- maintaining the financial capacity to provide for the continuing operation
- continuously improving infrastructure and human resourcing to operate at the forefront of contemporary educational practices that secure the School's leading position in the marketplace in which it operates
- performing well-considered master planning to accommodate the Board's plans for infrastructural developments
- setting tuition fee levels which are affordable, competitive, and allow high quality to be maintained and improved
- regularly monitoring the financial and regulatory environment in which the School operates
- protecting and expanding the financial resources of the School to sustain its long-term future.

Financial Benchmarks

The following benchmarks are widely used for assessing financial viability in the Queensland grammar school sector.

	2012	2013	2014	2015	2016	2017
Working Capital Ratio ^(a)	1.60	1.96	1.52	1.52	0.91 ^(a)	1.65 ^(a)
Debt per Student ^(b)	\$9,885	\$8,233	\$6,759	\$3,405	\$2,278	\$1,048
Reinvestment Ratio ^(c)	5%	51%	123%	40%	66%	11%

Table 13: Financial indicators from 2012 to 2017.

- (a) The Working Capital Ratio represents the degree to which current assets will cover current liabilities as at 31 December. A Working Capital Ratio greater than one indicates there are sufficient liquid assets to cover liabilities due for payment within the ensuing 12 month period after 31 December. In 2017, the Queensland Treasury Financial Reporting Requirements were amended to change the basis of classification of the Provision for Long Service Leave. The amendment requires any long service leave entitlements to be classified as current liabilities where the School does not have an unconditional right to defer them beyond 12 months of the reporting date. Previously, only those long service leave entitlements expected to be paid within 12 months of the reporting date were classified as current liabilities. The Working Capital Ratio reported above for 2016 and 2017 reflects the amended Queensland Treasury Financial Reporting Requirements.
- (b) In February 2018, the School fully retired its sole debt facility with Queensland Treasury Corporation which was used to fund the construction of The Lilley Centre. This is consistent with the reduction in the Debt per Student Ratio reported in the table above.
- (c) The reinvestment ratio represents the cash invested in property, plant and equipment divided by net cash provided by operating activities. The School is positioning itself for its next and most substantial capital project, involving the phased construction of a new precinct that will integrate the disciplines of science, technology, engineering, arts and mathematics (STEAM) in one state of the art facility. The STEAM project will be funded through a combination of operating cash surpluses commencing from 2017, a philanthropic capital raising campaign, external debt from Queensland Treasury Corporation and possibly some minor Government grants. Preparation for this strategy is observable in the low reinvestment ratio in 2017 and the aforementioned reduction in the debt per student ratio.

Underlying Financial Performance

The School reported a headline operating surplus for the year ended 31 December 2017 of \$7,877K compared to \$215K in the prior year. The underlying operating surplus for the year ended 31 December 2017 was \$4,473 compared to \$2,906 in the prior year, as set out below:

	2017 \$000	2016 \$000
Reported operating surplus	7,877	215
Income received and applied to the bursary, library and building funds:		
Donations	(1,563)	(418)
Confirmation fees	(881)	(820)
Gain on financial assets	(673)	(518)
Philanthropic support	(492)	(27)
2014 storm damage:		
Repairs	5	479
Insurance recovery	(482)	0
Royal Commission expenses:		
Professional fees	413	1,028
Litigation settlements, net	269	2,967
Underlying operating surplus	4,473	2,906

Table 14: Underlying operating result 2016 and 2017.

Brisbane Grammar School operates as an autonomous economic unit without the financial backing of a broader educational system. The School generates underlying income principally from tuition and boarding fees. Tuition fees are set to allow the School to trade in a solvent position and over time generate capital to sustain the fabric of the School to support contemporary educational needs. The School also receives funding from the Commonwealth and State Governments in accordance with their respective funding models. The School's largest operating cost is employee expenses, which accounts for in excess of 70% of cash operating costs.

The School is required to fund its own investment in infrastructure and facilities, in order to sustain its high standards of educational outcomes and to remain at the forefront of contemporary educational practices. Consequently, the generation of sufficient operating surpluses is carefully managed to enable the annual investment in routine capital expenditure, the periodic investment in major capital projects, and the servicing of debt.

Future Plans

Access to a BGS education

To continue to provide opportunities for well-rounded students, regardless of socio-economic background, Brisbane Grammar School aspires to become a needs-blind institution and support all families who wish to attend the School. At present over \$1M per year is spent on bursaries and scholarships to support the over 100 families of enrolled students with some form of fee remission. Currently, the School's Endowment Fund does not cater for the growing need for fee remission, with only 4% of the School's population benefiting from bursarial support. During the immediate future, the School wants to address this by increasing the capacity of the Endowment Fund to support 10% of the student population, approximately 170 families.

Growing up on a mango farm in rural Northern Territory, the remote location meant Joel Bock '10 couldn't attend day school. Instead he was schooled via distance education, until his life changed in 2008. Gaining a bursary to attend Brisbane Grammar School opened the doors of opportunity for Joel.



Governance Report

Governance Report

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About the School

Locations



Brisbane Grammar School provides education programs on five campuses. The main campus of nearly eight hectares is on Gregory Terrace overlooking the Brisbane CBD and is the site for the delivery of the main academic program across Years 5 to 12, as well as the Indoor Sports Centre and boarding house. Brisbane Grammar School is located on Gregory Terrace, Brisbane.



Close to the Gregory Terrace site is the Tennis Centre, adjacent to the Victoria Park Golf Course. The Tennis Centre contains 10 all-weather tennis courts, parking for 65 cars, catering and changing room facilities and viewing platforms. The Tennis Centre is located on Victoria Park Road, Kelvin Grove and is connected to the main campus by a pedestrian bridge.



Brisbane Grammar School's Northgate Playing Fields are an extensive complex of 10 ovals incorporating specialist coaching facilities, a covered grandstand and function room, and a fully equipped canteen and undercover barbecue. The sporting fields are just under 12 km from the Gregory Terrace campus and are located at 773 Nudgee Road, Northgate.



The School provides an extensive rowing program for boys in Years 7 to 12. This activity is based at the Boat Shed on the Milton Reach of the Brisbane River, about 10 minutes drive from the main campus. The facility has a dedicated pontoon and multi-bay shed and during the rowing season it is open seven days per week. The School provides access to the rowers from Brisbane Girls Grammar School during the Brisbane Schoolgirls' Rowing Association's competitive season. The Shed is located at Riverside Drive, West End.



The School has provided a vibrant outdoor education experience for students at the Outdoor Education Centre, Pepperina Hill on the shores of Lake Moogerah for over 40 years. In 2017, the School purchased a 200 acre block of land in mountainous country on the edge of Lake Moogerah. The acquisition will provide the program with campsites, rock climbing and remote wilderness bushwalking. The Centre also includes dormitories, commercial standard kitchen, dining room, amenities, staff accommodation, workshops and laundry. In addition, there is a number of on-site adventure components including the boat shed, climbing tower, low and high ropes courses, and flying fox. The Centre is situated at 1156 Lake Moogerah Road, Moogerah.

Legislative bases

Grammar Schools Act 1860

The *Grammar Schools Act*, passed by the then new Queensland Government in 1860, provided for the establishment of secondary education in the state. By 1868, enthusiastic public subscribers had raised sufficient funds to establish Brisbane's first grammar school, which was also the first public secondary school in the city. In that same year, Prince Alfred, Duke of Edinburgh, laid the foundation stone at the School's original site at Roma Street.



Brisbane Grammar School in Roma Street c 1872.

The doors of the new school opened in February 1869, with 94 students and four masters under the leadership of Headmaster Thomas Harlin. In 1881, the School was moved to its present site and the magnificent neo-gothic style Great Hall and classrooms were opened that year. With the opening of the Boarding House in 1886, the School became one of the first in Queensland to provide unified boarding facilities on a single site.

Grammar Schools Act 2016

The *Grammar Schools Act 1975* provided for the establishment and regulation of the School, including the constitution of the board of trustees and the functions of the board. These matters are now provided for in the *Grammar Schools Act 2016*.

The *Grammar Schools Act 2016* does not alter the status or functions of the Board of Trustees or the Board's responsibility for the governance of the School. The *Grammar Schools Act 2016* allows for more flexibility in both the number and term of appointment of members of the Board of Trustees. The Board of Trustees has considered how this provision will support the Board in having appropriate skills and gender balance, and corporate knowledge as it considers succession planning of Trustees.

Values and ethics

School values

Brisbane Grammar School values:

- endeavour
- learning
- respect
- leadership
- community

Ethics

Brisbane Grammar School and its staff have high standards of professionalism, which are informed by the Australian Institute of Teaching and School Leadership's (AITSL) professional standards for teachers and school leaders. These standards ensure high quality practices by the teaching staff who are also bound by the Queensland College of Teachers (QTC) *Code of Ethics for Teachers in Queensland*.

In addition, Brisbane Grammar School has negotiated and agreed a school ethos standard with both teaching and ancillary staff at the School. In agreeing to this standard, the School and the staff are committed to sustaining and enhancing the School's culture through actively advocating the values and ethos of the School through their actions and communication both within the School and the wider community. The School and its employees know and are committed to the purpose and values of the School and this is demonstrated by employees' practice, which is guided by and demonstrates leadership, endeavour, learning, respect and community.

Leadership

Board of Trustees

The *Grammar Schools Act 2016*, which came into effect on 1 January 2017, replaced the *Grammar Schools Act 1975* with modern legislation that aims to meet the contemporary needs of the School and reduce red tape. The Act provides for the establishment and regulation of the School, including the constitution of the board of trustees and the functions of the board.

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

During 2017 the Board consisted of seven members appointed by the Governor in Council of whom:

- four are nominated by the Minister for Education and Minister for Industrial Relations
- three are elected as prescribed by the *Grammar Schools Act 2016*.

The Board of Trustees oversees the governance of the School with responsibility for day-to-day management, curriculum leadership, recruitment and appointment of staff being delegated to the Headmaster. The Headmaster, Secretary to the Board and Chief Finance Officer, four Deputy Headmasters, Head of Middle School, and the Executive Director of Advancement and Community Relations attend the significant majority of Board meetings.

Function

The functions of the Board of Trustees, as specified in Section 14 of the *Grammar Schools Act 2016*, are:

- a) To supervise, maintain and control the operations of the Board's school;
- b) To erect, alter, add to, purchase or sell buildings used or to be used for the Board's school;
- c) To effect general improvements to the premises used or to be used for the Board's school;
- d) To provide an educational program for the Board's school;
- e) To make policies and procedures about:
 - i) fees and charges payable in relation to students enrolled or to be enrolled at the Board's school;
 - ii) the discipline and conduct of students enrolled at the Board's school;
 - iii) the management and control of the Board's school; and
 - iv) The matters mentioned in paragraphs (a) to (d);
- f) Any other function given to the Board under this Act or another Act.

2017 Achievements

During 2017 the members of the Board of Trustees contributed to the realisation of a number of planned activities at the School including:

- overseeing the development of the School's masterplan
- overseeing the development of the strategic plan 2018 – 2022
- overseeing the writing of the School's 150-year history
- overseeing the acquisition and development of two blocks of land for Outdoor Education
- overseeing and contributing to the reinvigoration of the School's philanthropic activities
- overseeing and contributing to the plans for the School's sesquicentenary celebrations in 2018 – 2019
- overseeing and contributing to the Non-State Schools Accreditation Board's review program
- allocating resources to further enhance the School's pedagogy to position student thinking at the heart of education.

Biographies



Mr Howard Stack | BA, LLB (UQ)

Trustee 1991-, Chairperson

Howard Stack is a lawyer and experienced company director with both listed and unlisted companies, including several as Chairman. He was a partner of the leading national law firm Allen, Allen & Hemsley until 2001, and before that time a partner with predecessor firm Feez Ruthning from 1969 to 1996. Howard is a BGS Old Boy and was School Captain in 1962. His son also attended BGS and his daughter attended BGS.



Dr John Fenwick | BE (UQ)

DPhil (Oxon), DEng (UQ),
FIEAust, RPEQ, AM

Trustee 1999-

Deputy Chairperson

Dr John Fenwick attended BGS from 1958 to 1961, gained an

Open Scholarship, and studied Civil Engineering at UQ, before taking up a Rhodes Scholarship in Oxford in 1967. In 1988, he took charge of bridge engineering with Main Roads. He currently works as an independent consultant. John's three sons attended BGS, as did his father and brother. He has served on several other boards including the Senate of The University of Queensland.



Professor Doune Macdonald |

PhD (Deakin), FNAK, FAIESEP,
GAICD

Trustee 2011-

Professor Doune Macdonald was the Head of the School of Human Movement Studies at The University of Queensland from 2004 and is currently Pro Vice-Chancellor (Teaching and Learning) at the University. She also serves on the board of QCAA, and has previously held directorships with UQ Sport Ltd and St Margaret's Anglican Girls' School.



Ms Sue Palmer | BCom (UQ)

CA, FAICD

Trustee 2011-

Sue Palmer has had an executive career spanning more than 30 years in senior financial and commercial roles across a range

of diversified industries, most recently as Chief Financial Officer of Thiess. Sue is now a professional non-executive director, and sits on the boards of New Hope Corporation, RCR Tomlinson, Qube Holdings and Charter Hall Retail. Her son is a BGS Old Boy.



Mr Paul Braddy | LLB (UQ)

Trustee 2005-2017

Paul Braddy was a practicing solicitor for 19 years before moving into State politics in 1985. He was a Member of Queensland Parliament for 16 years and, in that time, served as Leader of the House and as Minister of several portfolios including Education. He was chair of the Queensland Education and Training International Board and was chair of the Construction Skills QLD Board. Paul's son is a BGS Old Boy.

Mr Braddy retired from the Board on 20 September 2017.



Mr Stephen Lonie | BCom

MBA (UQ), FCA, FAICD, FINSA

Trustee 2003-

Stephen Lonie is a Chartered Accountant, working for over 30 years with KPMG, with seven years as Managing Partner of

Queensland. Since 2002, he has been self-employed as a Chartered Accountant and Management Consultant. Stephen is an experienced Company Director and holds a number of current Board positions. Both Stephen and his son are BGS Old Boys.



Mr Christopher Morton | BCom,

LLB (UQ), LLM (Cantab), FINSIA,

MAICD

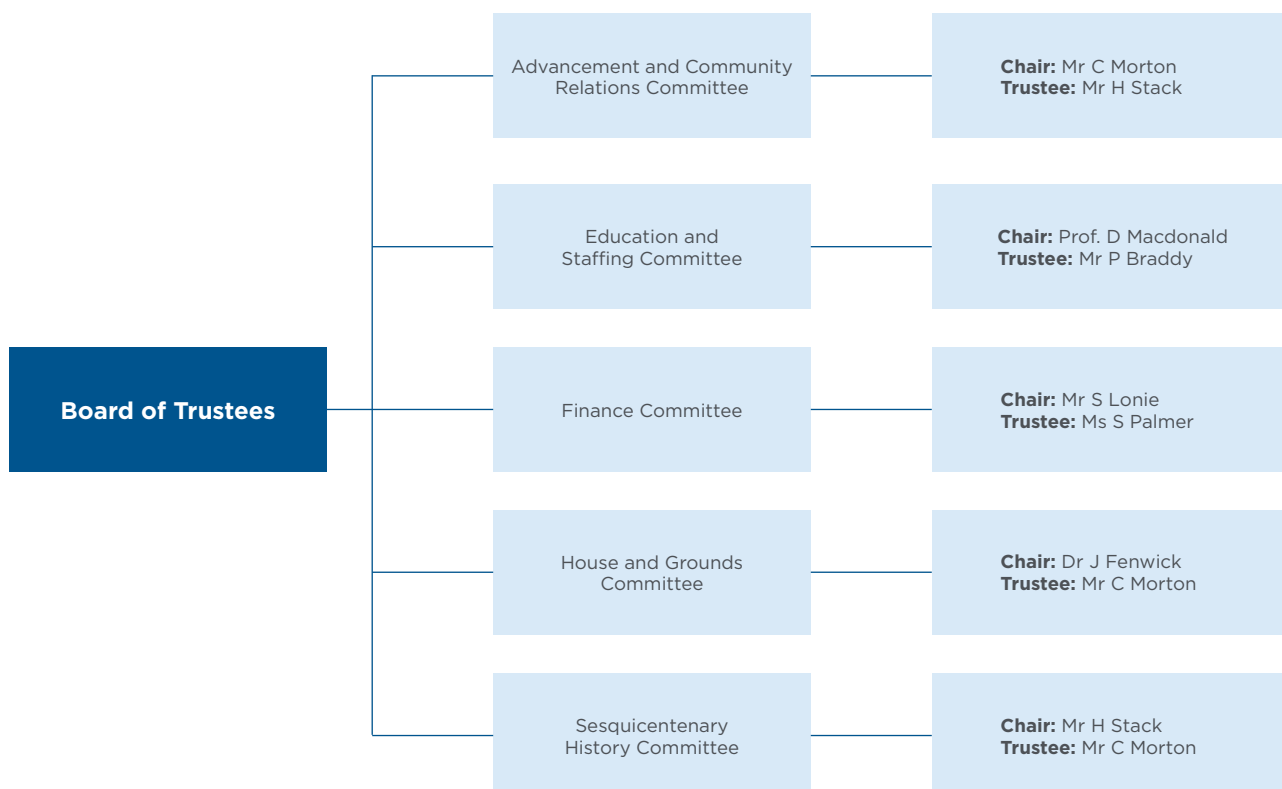
Trustee 2003-

Chris Morton was a partner of international legal firm Phillips Fox prior to moving into funds

management. He was the founder and Managing Director of Property Funds Australia Limited and was Managing Director and Deputy Chairman of ASX Listed Trinity Limited from 2009 until 2016. Chris is a BGS Old Boy and was School Captain in 1973. His four sons are also Old Boys.

Board committees

All members of the Board perform their duties on a part-time basis for no remuneration. The Board met 11 times during 2017. In addition to monthly meetings of the full Board of Trustees, several Board committees met throughout the year. These committees are composed of representatives of the Board as illustrated below.



Advancement and Community Relations Committee

The Advancement and Community Relations Committee meets quarterly and monitors various aspects of the School's community relations (including the P&F Association and the Old Boys' Association). This committee also focuses on advancement activities, including fundraising and marketing efforts.

Education and Staffing Committee

The Education and Staffing Committee meets quarterly and reviews progress and plans regarding the education program and staffing of the School.

Finance Committee

The Finance Committee meets monthly and monitors the business activities of the School including financial performance, treasury management and risk.

House and Grounds Committee

The House and Grounds Committee meets monthly and oversees the infrastructure of the School including refurbishment and minor capital works.

Sesquicentenary History Committee

This Committee was established in late 2015 to plan for the School's sesquicentenary celebrations in 2018 and 2019, and the production of the 150 year history of the School.

Senior Leadership Team



Mr Anthony Micallef | BA, DipEd, MA (Syd), MACE, MACEL, Sabbatical (Harvard)
Headmaster

Anthony Micallef is the 12th Headmaster of Brisbane Grammar School. He is a graduate of the University of Sydney and has also completed a sabbatical at the Harvard Graduate School of Education. Anthony has taught in several independent boys schools in Brisbane and Sydney where he fulfilled leadership roles in the academic, student wellbeing and extracurricular domains. For the past 24 years, Anthony has served Brisbane Grammar School in a number of key leadership roles. He combines his strong academic, pastoral and sporting background with a collaborative style of leadership and an ardent belief in creating an inclusive educational environment, where individual strengths can be encouraged and nurtured.



Mr Mark Brusasco | BA (UQ), DipEd (UQ)
Deputy Headmaster - Extracurricular

Mark Brusasco joined the teaching staff in 1982. He has served in other senior positions including Head of Year and Deputy Headmaster - Staff and Administration. He has a significant sporting pedigree, having represented his state and country in football (soccer). He is also an Old Boy and, in his final year, played Firsts rugby and cricket.



Mr Ed Roper | B Ed (JCU), B App Sc (Maths) (QUT), MACEL
Deputy Headmaster - Staff

Ed Roper joined the School as the ICT curriculum support teacher and teacher of mathematics in 1982. Since then, he has been a boarding house master, Head of Year, Head of Mathematics, and, in the early 2000s, planned and led the introduction of middle schooling at the School. He commenced his current role with staff in 2006.



Mr David Carroll | GradDipArts (ACU), BA (UQ), GradDipTeach (ACU), MEL (ACU)
Deputy Headmaster - Students

David Carroll commenced working at Brisbane Grammar School in 2014. David's career has focused on the area of student wellbeing. He has held senior leadership positions in this area since 1998. David's focus is on the establishment of a system of individual care, where boys are mentored within a caring community atmosphere.



Mr Steve Uscinski | BA (Hons)(UQ), GradDipT, MEd (QUT)
DHM – Teaching and Learning

Steve Uscinski leads the team of the Studies Directorate. In his more than 20 years at BGS, Steve has given service as a teacher of English, coach of rugby and cricket, director of the senior dramatic production, boarding house master, school administrator and curriculum innovator and leader.



Ms Jacqui Zervos | BA (UQ), DipEd (UQ), MEdSt (UQ), MACEL, MACE
Head of Middle School

Jacqui Zervos joined the School in 1995 to teach geography and history. In 2001 she took on the position of Head of Year. During the following five years as Head of Year, Jacqui completed her Masters degree with major research into boys education. She was appointed Head of Middle School in 2006.



Mr Mark Corgat | CA, MBA (GU), BCom (UQ), SMP (IMD, CH)
Chief Financial Officer and Secretary to the Board of Trustees

Mark Corgat joined BGS in 2017. His finance career spans more than 30 years, including tenures with KPMG and Ernst & Young, 10 years in the corporate finance function of Jupiters Limited (a top 100 ASX hotel and gaming group) including as Director of Finance, nine years in the corporate function of Holcim Limited (the world's largest producer of cement) including six years as global Head of Standards and Accounting Principles based in Zurich Switzerland, and most recently as CFO and Company Secretary of Migas Limited, a not-for-profit charitable enterprise dedicated to training and qualifying trade apprentices throughout Australia. Mr Corgat is a Chartered Accountant (Australia), and has worked in several teaching capacities for both the Institute of Chartered Accountants and Griffith University.

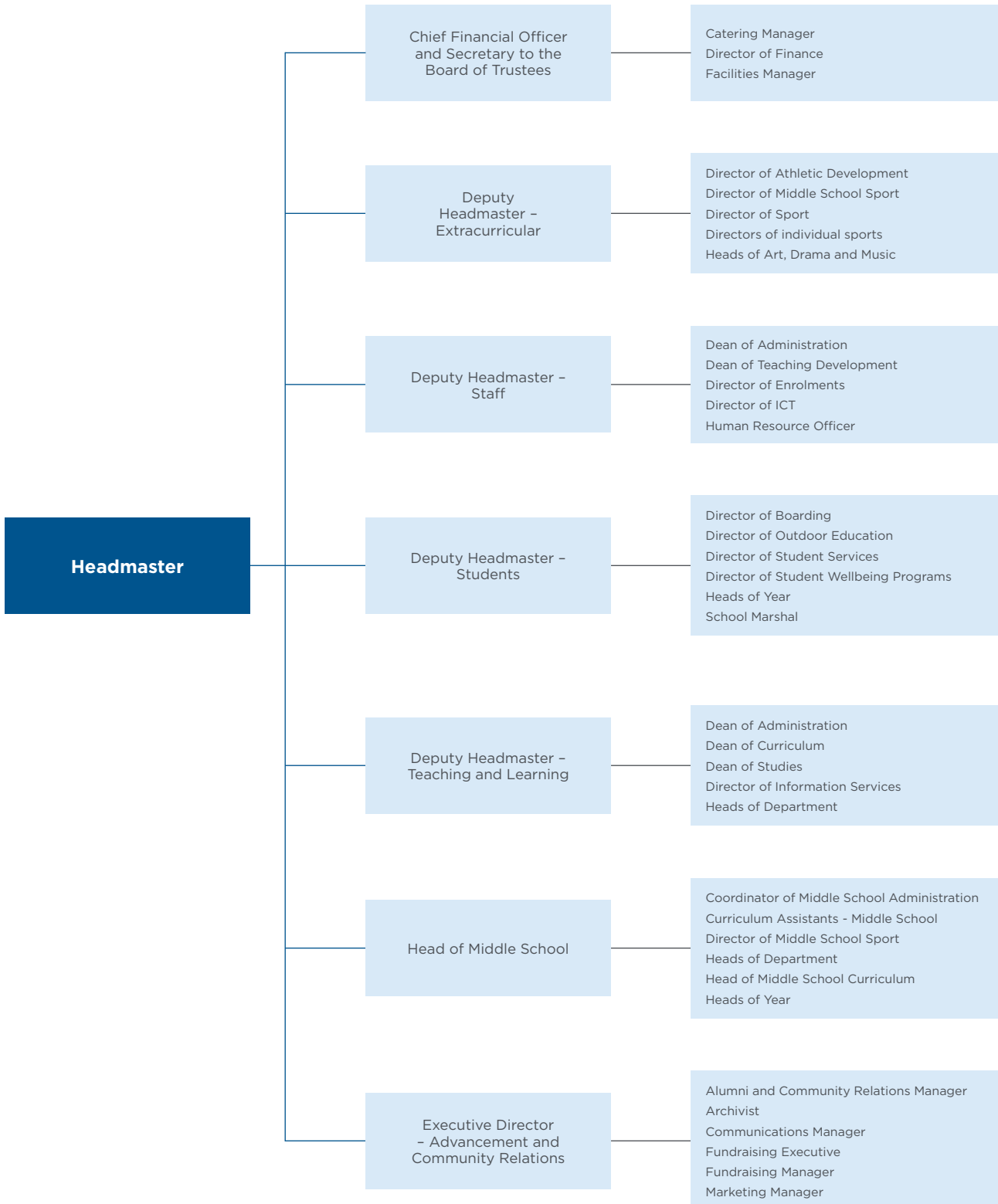


Ms Heather Watson | MBA (UWA)
Executive Director – Advancement and Community Relations

Heather Watson joined Brisbane Grammar School in 2014. Her career as an external relations and fundraising professional spans more than 25 years in the education, corporate and not-for-profit sectors throughout Australia, Indonesia and Canada. In Heather's previous roles prior to joining BGS she was instrumental in developing corporate, community and alumni partnerships, building a culture of philanthropy and delivering strategic marketing and communications.

Organisational structure

The members of the Senior Leadership Team (SLT) have overall responsibility to the Headmaster for the strategic and operational activities at the School. The reporting lines of the members of the SLT are shown in the organisational chart below.



Statutory Requirements

Risk management

Effective risk management is a key factor in safeguarding the School's students, staff, assets and reputation. Brisbane Grammar School has a framework and a system of protocols in place to ensure appropriate risk management strategies are effective.

The School adopts the risk management methodology recommended in Australian and International quality standards AS/NZS ISO 31000:2009.

The protocols in place to manage and mitigate risk include:

- a risk management framework, including identified and rated strategic and operational risks
- regular reporting of risk issues to the Board of Trustees
- regular review of financial risks
- periodic assessment to the Board of Trustees of the strategic risks and relevant controls and treatments in place to manage and mitigate them
- annual self-assessment of compliance with key controls in place to manage risks
- specialist legal review of all new policies and procedures before they are presented to the Board of Trustees for approval.

A separate risk register is also maintained for the School's Information & Communication Technology infrastructure. This risk register assesses risks associated with this infrastructure and is monitored quarterly by the Director of ICT and the ICT Steering Committee, which includes appropriate representatives from the Senior Leadership Team.

Audit

Internal Audit

While the School does not have a structured internal audit function, the Finance Committee oversees financial performance, audit and risk management issues. Financial outcomes are measured against operating budgets and forecasts. The Finance Committee requests management review internal controls and processes as and when required.

External scrutiny

Financial Accountability Act 2009, Auditor-General Act 2009

As a statutory body, Brisbane Grammar School is required to prepare financial statements in accord with the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2009*. These statements are subject to annual audit under the *Auditor-General Act 2009*.

In June 2017, the Queensland Audit Office (QAO) tabled a report in the Queensland legislative assembly *Universities and grammar schools: 2016 results of financial audits (Report 18: 2016-17)*. This report may be accessed online and summarises the results of QAO financial audits of the eight Queensland grammar schools and their controlled entities with a financial year end of 31 December 2016. It provides an overview of the grammar schools finances at 31 December 2016 and of the financial accounting issues that arose during the audits.

Education (Accreditation of Non-State Schools) Act 2001

As defined in section 6 of the *Act*, Brisbane Grammar School is a non-State school providing primary (Years 5 and 6) and secondary (Years 7 to 12) education. During the reporting period there were no notices issued to the School by the Non-State Schools Accreditation Board under section 70B of the *Act*.

During the reporting period, the School participated in the NSSAB's cyclical review program. The School provided a review plan for the review and gave the Board information to assist the Board in its monitoring

responsibilities. The review report is currently with the NSSAB for consideration.

Education (General Provisions) Act 2006

As an operating non-State School under the *Act*, the School has not issued any directions under sections 346, 348, 349 and 350 of the *Act*. During 2017 the School did not receive any applications under section 347 and 349B of the *Act*.

Education (Queensland College of Teachers) Act 2005

Under Section 74 of the *Act*, Brisbane Grammar School is a prescribed school. During the reporting period no notices were issued by the QCT about teachers at the School under Section 56 of the *Act*.

Royal Commission into Institutional Responses to Child Sexual Abuse

In November 2015, the Royal Commission into Institutional Responses to Child Sexual Abuse (Royal Commission) conducted a public hearing into the response of Brisbane Grammar School and St Paul's School to allegations of sexual abuse by Kevin Lynch committed at BGS from 1976 to 1988, and subsequently at St Paul's.

A report into the case study was published in January 2017. A supplementary report was published in August 2017. The Royal Commission also published its final report in December 2017 and the process of the Royal Commission has come to an end.

Another matter relevant to the sexual abuse by Kevin Lynch is that the School and its insurers have been dealing with claims by former students since 2002. Subsequent to the Royal Commission's public hearing and report, the School has continued to receive further claims from past students in relation to abuse. The School's approach to these claims has always been a face-to-face, personal apology by the Chairperson and current Headmaster, ongoing counselling for as long as is necessary, and compensation payments. This process is consistent with the recommendations of the Royal Commission to date.

As at the date of this report, it is not possible to accurately quantify the timing or amount of any future settlements in regard to these current and potential future claims, nor the level of insurance that may be available to the School to assist in their settlement.

Record keeping

Brisbane Grammar School uses data collected from a range of sources to inform its decision making processes. The School stores both structured and unstructured data that fulfils their purposes but relies most heavily on our community database.

The following points relate specifically to the School's use of this database:

- The School collects attendance data on a per period basis to ensure an improved standard of care for our students. This has been facilitated via a Smart phone app or the Windows client software.
- The School converts all paper based enrolments records to digital form. Paper based enrolments will be in the minority by the end of 2017 as online enrolments are fully adopted.
- Management and support of the School's Information Systems are the responsibility of the Director of ICT. The Director is supported by a team of professionals who specialise in information systems, including the Manager of Information Systems and a database administrator. These employees are responsible for supporting infrastructure but also ensuring compliance with the processes and protocols that have been implemented to ensure that accurate record keeping and data storage are maintained.
- All information systems are subject to hourly, daily, monthly and yearly backup regimes and are archived to disk. An offsite backup repository site has been implemented to provide an additional level of redundancy for this data set.
- Any changes/upgrades to the system are managed via a formal change management process.
- There have been no known breaches of information security protocol and all user activity on the information system is logged and audited.

- Password changes are forced on a regular scheduled basis and relevant staff are regularly reminded of information security obligations.
- Audits of user and group security access to the community database are completed regularly.
- An Information Asset register for classification and handling of information assets in accordance with the Queensland Government Information Security Classification Framework has been established.
- A comprehensive Information Security Plan aligned to Information Standard 18 Security is being finalised.

The School has completed a gap analysis of its alignment with the Queensland Government Chief Information Officer's Information Standard 40: Recordkeeping and Information and Standard 31: Retention and Disposal of Public Records.

Where required, compliance related activities have been undertaken and the related policies are being upgraded.

Appendices

Appendices

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Open Data

Consultancies

Information on Expenditure on Consultancies can be viewed online at:
<http://www.brisbanegrammar.com/About/Reporting/Pages/default.aspx> and
<http://data.qld.gov.au>

Overseas travel

Information on Overseas Travel can be viewed online at:
<http://www.brisbanegrammar.com/About/Reporting/Pages/default.aspx> and
<http://data.qld.gov.au>

Financial Statements



BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2017

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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017	2016
		(\$'000)	(\$'000)
Income from continuing operations			
Fees	2	43,615	42,066
Grants	3	10,475	10,171
Interest		286	238
Donations		2,055	445
Other income	4	2,317	1,490
Total income from continuing operations		58,748	54,410
Expenses from continuing operations			
Employee expenses	5	32,494	31,139
Supplies and services	6	12,579	14,336
Depreciation and amortisation	11	4,102	4,208
Borrowing costs expense		265	450
Other expenses	7	1,431	4,062
Total expenses from continuing operations		50,871	54,195
Operating result for the year		7,877	215
Other comprehensive income			
<i>Items that will not be reclassified subsequently to Operating Result</i>			
Increase in asset revaluation surplus	16	-	6,956
Total other comprehensive income		-	6,956
Total comprehensive income		7,877	7,171

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 (\$'000)	2016 (\$'000)
Current assets			
Cash and cash equivalents	8	8,497	1,130
Trade and other receivables	9	661	628
Other financial assets	10	10,279	7,972
Prepayments		2,096	906
Total current assets		21,533	10,636
Non-current assets			
Prepayments		22	17
Property, plant and equipment	11	139,598	141,544
Total non-current assets		139,620	141,561
Total assets		161,153	152,197
Current liabilities			
Trade and other payables	12	3,612	2,174
Short term borrowings	13	1,376	2,865
Provisions	14	4,892	4,743
Unearned income	15	3,168	1,859
Total current liabilities		13,048	11,641
Non-current liabilities			
Long term borrowings	13	404	999
Provisions	14	758	628
Unearned income	15	363	226
Total non-current liabilities		1,525	1,853
Total liabilities		14,573	13,494
Net assets		146,580	138,703
Equity			
Asset revaluation surplus	16	67,401	67,401
Accumulated surplus		79,179	71,302
Total equity		146,580	138,703

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	Revaluation Surplus (\$'000)	Accumulated Surplus (\$'000)	Total (\$'000)
Balance at 1 January 2016		60,445	71,087	131,532
Operating result		-	215	215
Other comprehensive income				
Asset revaluation surplus	16	6,956	-	6,956
Total other comprehensive income		6,956	-	6,956
Total comprehensive income for the year		6,956	215	7,171
Balance at 31 December 2016		67,401	71,302	138,703
Operating result		-	7,877	7,877
Total comprehensive income for the year		-	7,877	7,877
Balance at 31 December 2017		67,401	79,179	146,580

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 (\$'000)	2016 (\$'000)
Cash flows from Operating Activities			
<i>Inflows:</i>			
Fee income		44,630	41,600
Grants and other contributions		10,727	10,171
Donations		1,516	604
Other income		1,516	2,028
GST input tax credits from Australian Taxation Office		1,350	1,742
GST collected from customers		749	726
Interest		286	238
<i>Outflows:</i>			
Employee expenses		(31,651)	(30,751)
Supplies and services		(11,668)	(12,887)
Other expenses		(1,489)	(3,338)
GST paid to suppliers		(1,371)	(1,721)
GST remitted to Australian Taxation Office		(757)	(716)
Borrowings costs		(280)	(458)
Net cash provided by operating activities		<u>13,558</u>	<u>7,238</u>
Cash flows from Investing Activities			
<i>Inflows:</i>			
Proceeds from sale of property, plant & equipment		10	-
Investments redeemed		49	850
<i>Outflows:</i>			
Payments for property, plant & equipment		(1,522)	(4,801)
Payments for investments		(1,584)	-
Net cash (used) in investing activities		<u>(3,047)</u>	<u>(3,951)</u>
Cash flows from Financing Activities			
<i>Inflows:</i>			
Repayment of borrowings		(1,934)	(1,761)
Repayment of leases		(1,210)	(1,295)
Net cash (used) in financing activities		<u>(3,144)</u>	<u>(3,056)</u>
Net increase in cash and cash equivalents		7,367	231
Cash and cash equivalents at the beginning of the year		1,130	899
Cash and Cash Equivalents at the End of the Year	8	<u>8,497</u>	<u>1,130</u>

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

Note 1:	Statement of significant accounting policies
Note 2:	Fees
Note 3:	Grants
Note 4:	Other income
Note 5:	Employee expenses
Note 6:	Supplies and services
Note 7:	Other expenses
Note 8:	Cash and cash equivalents
Note 9:	Trade and other receivables
Note 10:	Other financial assets
Note 11:	Property, plant and equipment
Note 12:	Trade and other payables
Note 13:	Borrowings
Note 14:	Provisions
Note 15:	Unearned income
Note 16:	Asset revaluation surplus
Note 17:	Lease commitments
Note 18:	Capital expenditure commitments
Note 19:	Contingent liabilities and contingent assets
Note 20:	Superannuation
Note 21:	Financial instruments
Note 22:	Key management personnel and remuneration
Note 23:	Related party transactions
Note 24:	Events subsequent to balance date

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Basis of Preparation**

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

The financial statements are general purpose financial statements and cover the Board of Trustees of the Brisbane Grammar School ('School') as an individual entity. The Board of Trustees of the Brisbane Grammar School is a statutory body formed under the *Grammar Schools Act 2016*. It operates as a Queensland independent school and is principally located at Gregory Terrace, Brisbane in Australia.

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

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

Reporting Basis and Convention

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

Currency and Rounding

Amounts included in the financial statements are in Australian dollars. The financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Comparatives

Comparative information reflects the audited 2016 financial statements, and has been restated, where appropriate, to be consistent with changes in presentation for the current year.

Current / Non-Current Classification

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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****Accounting Policies****(a) Revenue**

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

Revenue from the rendering of services, being tuition and boarding, is recognised when the obligation to provide the related service is discharged. Revenue from enrolments, application fees and non-refundable confirmation fees is recognised when received.

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

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

Where the fees for services are paid in advance, a liability called Fees in Advance is recognised. This liability is written back when the obligation to provide the related service is discharged.

Bequests and donations are recognised when received. Donations received in kind (other than cash) are recognised at their fair value at the time of receipt.

(b) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and at bank, and short term deposits at call with a maturity of less than 3 months, net of any outstanding bank overdrafts.

(c) Trade and Other Receivables

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****(d) Financial Instruments****Initial Recognition and Measurement**

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

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

Classification and Subsequent Measurement

Financial instruments are measured at either fair value or at amortised cost.

Financial assets are classified at fair value through profit or loss when they are held for the purpose of short-term profit taking, or when they are designated as such to avoid an accounting mismatch, or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value, with changes in carrying value being included in the operating result for the year. Fair value is determined based on current bid prices for all quoted investments.

All other financial instruments are classified as either cash and cash equivalents (note 1(b)), trade and other receivables (note 1(c)) or trade and other payables, and are measured at amortised cost using the effective interest rate method.

(e) Property, Plant and Equipment

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

Actual cost is used for the initial recording of all non-current physical acquisitions. Cost is determined as the fair value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use as intended by management (in the case of property, this cost includes regulatory development application expenses).

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

(e) Property, Plant and Equipment (continued)

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

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

Minimum capitalisation thresholds are not applied to individual pieces of art work.

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

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

(f) Land and Buildings

Land and Buildings are shown at their fair value, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction, less subsequent depreciation for Buildings and Improvements. The Board of Trustees of the Brisbane Grammar School commissions an independent valuation of the School's land and buildings on a regular basis, at least once every three years. In years where an independent valuation is not performed, the valuation is performed by the Board of Trustees of the Brisbane Grammar School. The Board of Trustees of the Brisbane Grammar School reviews the carrying value of property, plant and equipment at each balance date, to confirm that these assets are still held at fair value.

As part of this review, the Board of Trustees of the Brisbane Grammar School considers movements in an appropriate index, as well as indicators of decline in asset condition. An indexed revaluation will only be accounted for in the financial statements if the cumulative change in the index results in a 5% or greater change in the reported asset balances. Likewise, a change in asset condition will only be accounted for if it is anticipated that the change will result in a revaluation of 5% or greater in the reported asset balances.

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 that it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

For assets revalued using a cost valuation approach (e.g. depreciated replacement cost), accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This approach is generally referred to as the 'gross method'.

For assets revalued using a market or income-based valuation approach, accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This approach is generally referred to as the 'net method'.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

(g) Land Ownership

The School's campus land at Spring Hill and Normanby, with a total value of \$21,050,000 (2016: \$21,050,000), is held under Deed of Grant of Land in Trust (DOGIT). The land is retained by the Crown, however, the economic benefit of this land accrues to the Board of Trustees of the Brisbane Grammar School and the land is administered by the School. The independent valuation of these assets has special regard to the fact that as the property is held under DOGIT, it is considered an inferior title to freehold due to the restrictive covenants.

(h) Impairment of Non-Current Assets

At each reporting date, the School reviews the carrying value of its non-current assets, to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and the asset's depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in the operating result for the year, 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.

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

(i) Depreciation and Amortisation

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

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

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

Plant and Equipment	6.67% – 30%.
Heritage and Cultural Assets	2%.
Leased Assets	25% – 33.3%.
Buildings	0.99% – 9%.

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****(j) Leases**

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

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

(k) Employee Benefits

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

Employee benefits disclosed as current liabilities represent those employee benefits which the School does not have an unconditional right to defer access to such benefits beyond 12 months of the reporting date. All other employee benefits are classified as non-current liabilities. Non-current employee benefits have been measured at the present value of the estimated future cash outflows to be made for those benefits. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Current wage rates and expected wage increases have been applied in the calculation of the employee benefits.

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

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

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****(k) Employee Benefits (continued)**

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

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

(l) Borrowing Costs

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

(m) Taxation**Income Tax**

The School is exempt from income tax under the Income Tax Assessment Act 1936.

Goods and Services Tax (GST)

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

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****(n) 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.

The School has assessed the key management personnel positions in context of the School being constituted under the Grammar Schools Act 2016. Refer to Note 22 for the disclosures on key management personnel and remuneration.

(o) Judgement and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the 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 with the most significant effect on the financial statements are outlined in the following notes:

- Valuation of Property, Plant and Equipment - Notes 1(e) - (f) and Note 11.
- Depreciation and Amortisation - Note 1(i) and Note 11.
- Contingent liabilities and contingent assets – Note 19.

Further, the valuation of property, plant and equipment necessarily involves estimation uncertainty with the potential to materially impact on the carrying amount of such assets in the next reporting period. Reference should be made to the respective notes for more information.

(p) Contributions

The School receives non-reciprocal contributions from other parties, from time to time, for no or nominal value. These contributions are recognised at the fair value on the date of acquisition, at which time, an asset is taken up in the Statement of Financial Position and revenue in the Statement of Comprehensive Income

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)****(q) New and Revised Accounting Standards**

The only Australian Accounting Standard that became effective for the first time in 2017 is AASB 124 Related Party Disclosures. This standard requires note disclosures about key management personnel ("KMP") remuneration expenses and other related party transactions, and does not impact on financial statement line items. As Queensland Treasury previously required disclosure of KMP remuneration expenses, AASB 124 itself had minimal impact on the School's KMP disclosures compared to 2016 (refer to Note 22). Any material related party transactions for 2017 are disclosed in Note 23. No comparative information about related party transactions is required in respect of 2016.

No accounting pronouncements were early adopted in the 2017 year.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (S'000)	2016 (S'000)
2. Fees		
Tuition fees	40,329	38,959
Boarding fees	2,035	2,023
Confirmation fees	881	820
Enrolment fees	370	264
Total fees	<u>43,615</u>	<u>42,066</u>
3. Grants ¹		
Recurrent Grants		
Commonwealth government grants	6,820	6,614
State government grants	3,647	3,540
Capital Grants		
Commonwealth government grants	8	17
Total grants	<u>10,475</u>	<u>10,171</u>
¹ All grants are non-reciprocal grants, see Note 1 (a).		
4. Other income		
Proceeds from insurance claims ¹	598	58
Gain on financial assets at fair value through profit or loss	673	518
Other income	261	419
Facility hire	206	192
Investment income	396	201
Property income	177	102
Gain on disposal of property, plant and equipment	6	-
Total other income	<u>2,317</u>	<u>1,490</u>

¹ In 2017, the proceeds from insurance claims includes a claim for storm damage that occurred in November 2014 for \$482,000. No insurance recoveries for this event were received in 2016. Refer Note 6.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (S'000)	2016 (S'000)
5. Employee expenses		
Employee benefits		
Salaries and wages	26,755	24,735
Employer superannuation contributions	3,213	3,106
Annual leave	1,055	1,939
Long service leave	1,124	1,021
Employee related expenses		
Workers' compensation premium	347	338
Total employee expenses	<u>32,494</u>	<u>31,139</u>

The number of employees as at 31 December, including full-time, part-time and casual employees, measured on a fulltime equivalent basis is:

Number of employees	<u>276</u>	<u>274</u>
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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (S'000)	2016 (S'000)
6. Supplies and services		
Tuition and extracurricular expenses	3,714	3,765
Repairs and maintenance ¹	2,748	3,802
Minor plant and equipment	1,538	1,325
Utilities	1,188	1,129
Administration expenses	1,007	1,278
Contractors	812	820
Professional fees		
Royal Commission related ²	413	1,028
Other professional fees	415	430
Motor vehicle expenses	147	137
Other supplies and services	597	622
Total supplies and services	12,579	14,336

1 Insurance repairs:

Expenditure incurred in repairing School property damaged in a November 2014 storm was \$5,000 (incurred 2016: \$479,000, of which \$331,000 was unrecovered 2015 expenditure). Refer Note 4.

2 Royal Commission into Institutional Responses to Child Sexual Abuse:

During the year ended 31 December 2017, legal fees incurred in defending/addressing claims from former students totalled \$413,000. During the year ended 31 December 2016, the School incurred expenses of \$1,028,000 in regard to the preparation of responses to requisitions raised by the Royal Commission into Institutional Responses to Child Sexual Abuse and its subsequent representation at the Royal Commission into Institutional Responses to Child Sexual Abuse. These costs, mainly for legal services, represent the necessary but abnormal response that the School addressed in the course of the year.

7. Other expenses

Insurance	442	331
Fringe benefits tax	317	322
Litigation settlement expenses ¹	269	2,967
Bank charges	255	278
Doubtful debts expense	62	79
Audit fees	35	32
Lease and rentals	13	13
Other expenses	38	40
Total other expenses	1,431	4,062

1 Settlement of claims by past students:

During the year ended 31 December 2017, the School made payments in settlement of claims made by past students amounting to \$269,000 (2016: \$2,967,000), net of insurance recoveries. Expenditure in relation to settlements is only recognised when it can be measured reliably.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (\$'000)	2016 (\$'000)
8. Cash and cash equivalents		
Cash at bank and on deposit	8,226	588
Bursary fund (formerly Endowment fund)	135	116
Library fund	119	102
Accountable advances	9	3
Restricted reserve	5	10
Building fund	2	310
Petty cash	1	1
Total cash and cash equivalents	<u>8,497</u>	<u>1,130</u>

Refer Note 10 for an explanation of the purpose of fund and reserve accounts. Cash held within these accounts is restricted for use in respect of the documented purpose.

9. Trade and other receivables**Current**

Tuition and boarding fees outstanding	285	357
Allowance for impairment losses	(127)	(155)
	<u>158</u>	<u>202</u>
GST receivable	311	290
GST payable	(10)	(17)
	<u>301</u>	<u>273</u>
Sundry receivables	123	61
Accrued revenue	79	92
Total trade and other receivables	<u>661</u>	<u>628</u>
Movements in the allowance for impairment loss for trade receivables		
Balance at 1 January	155	81
Amounts written off during the year	(44)	(3)
Increase/decrease in allowance	16	77
Balance at 31 December	<u>127</u>	<u>155</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (\$'000)	2016 (\$'000)
10. Other financial assets		
Queensland Investment Corporation Investment Fund - at fair value:		
Bursary fund ¹	9,040	6,432
Library fund ²	637	566
Building fund ³	602	8
Restricted Reserve ⁴	-	966
Total other financial assets	10,279	7,972

Changes in fair values of other financial assets are recorded in profit or loss. These investments are reviewed by the School throughout the year and can be redeemed on an at-call basis at the market value of the investment at the date of redemption, less certain fees and charges.

¹ *The Bursary fund (previously known as Endowment fund)* uses non-refundable confirmation fees paid by parents to fund needs based Bursaries. It is also a Deductible Gift Recipient, as prescribed by the Australian Taxation Office, established to provide bursaries from donations.

² *The Library fund* is a Deductible Gift Recipient, as prescribed by the Australian Taxation Office, established to raise money for School library resources.

³ *The Building fund* is a Deductible Gift Recipient, as prescribed by the Australian Taxation Office, established to raise money for School building projects.

⁴ *The Restricted Reserve* comprises bequests and donations, where the funds received are used for the purposes specified by the donor. The balance of this account was transferred to the Bursary fund during the current year consistent with the intent of the donors.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (\$'000)	2016 (\$'000)
11. Property, plant and equipment		
Land - at fair value	47,795	47,141
	<u>47,795</u>	<u>47,141</u>
Buildings - at fair value	152,463	152,462
less accumulated depreciation	<u>(63,798)</u>	<u>(60,312)</u>
	<u>88,665</u>	<u>92,150</u>
Plant and equipment - at cost	13,091	12,127
less accumulated depreciation	<u>(10,658)</u>	<u>(10,107)</u>
	<u>2,433</u>	<u>2,020</u>
Leased assets - at cost	142	142
less accumulated amortisation	<u>(142)</u>	<u>(137)</u>
	<u>-</u>	<u>5</u>
Heritage and cultural assets - at cost	747	377
less accumulated depreciation	<u>(161)</u>	<u>(149)</u>
	<u>586</u>	<u>228</u>
Capital work in progress - at cost	119	-
Total property, plant and equipment	<u><u>139,598</u></u>	<u><u>141,544</u></u>

In October 2017, JLL Public Sector Valuations Pty Ltd provided valuation indices for the period 31 December 2016 to 30 September 2017, to provide an indication of the fair value of the land. The cumulative change in the index for non-residential construction in Queensland was used to calculate the impact of any change on the fair values of buildings. Based on this information, the Board of Trustees of the Brisbane Grammar School determined that the carrying value of land and buildings at 31 December 2017 approximated their fair value. As such, no change in the carrying value was recognised.

As at 31 December 2016, the School's Land, Buildings and Improvements were revalued, resulting in an increment in the carrying value. This independent valuation of land was performed by ACI Asset Valuations based on the valuer's assessment of the land, having regard to available sales evidence of freehold title properties comparing the zoning, size and topography. Buildings were valued using the current replacement cost approach, or direct comparison approach, depending upon the availability of sales data.

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

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

11. Property, plant and equipment - movement reconciliation

2017

Description	31 December 2016 \$'000	Additions ¹ \$'000	Disposals \$'000	Transfer \$'000	Depreciation \$'000	Revaluation \$'000	31 December 2017 \$'000
Land	47,141	654	-	-	-	-	47,795
Buildings	92,150	-	-	-	(3,485)	-	88,665
Plant and equipment	2,020	1,017	(5)	-	(599)	-	2,433
Leased assets	5	-	-	-	(5)	-	-
Heritage and cultural assets	228	371	-	-	(13)	-	586
Capital work in progress	-	119	-	-	-	-	119
Total	141,544	2,161	(5)	-	(4,102)	-	139,598

1. 2017 additions include assets that were donated to the School, amounting to \$639,000 (2016: \$nil). Assets donated are recognised in the Statement of Financial Position at their fair value at the date of acquisition.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (\$'000)	2016 (\$'000)
12. Trade and other payables		
Current		
Trade payables	2,868	2,047
Other accrued employee benefits	744	127
Total trade and other payables	<u>3,612</u>	<u>2,174</u>
13. Borrowings		
Current		
Queensland Treasury Corporation loan - unsecured	521	1,934
Chattel mortgage - secured	855	931
Total current borrowings	<u>1,376</u>	<u>2,865</u>
Non-current		
Queensland Treasury Corporation loans - unsecured	-	521
Chattel mortgage - secured	404	478
Total non-current borrowings	<u>404</u>	<u>999</u>
Total borrowings	<u>1,780</u>	<u>3,864</u>

Chattel mortgage liabilities are secured over the assets to which they relate.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	2017 (\$'000)	2016 (\$'000)
14. Provisions		
Current		
Annual leave	872	987
Long service leave ¹	4,020	3,648
Sabbatical leave	-	108
Total current provisions	<u>4,892</u>	<u>4,743</u>
Non-current		
Long service leave ¹	758	628
Total non-current provisions	<u>758</u>	<u>628</u>
Total provisions	<u>5,650</u>	<u>5,371</u>
 ¹ Long service leave:		
During the year ended 31 December 2017, a correction was published in the Queensland Treasury Financial Reporting Requirements ('FRR') pertaining to the classification of accrued employee entitlements. Under the former FRR, such entitlements were classified on the basis of expected payment dates. Under the amended FRR, such entitlements are classified as current where the reporting entity does not have an unconditional right to defer settlement beyond 12 months of the reporting date, while all other such entitlements are classified as non-current.		
The School's applicable Enterprise Bargaining Agreement provides that employees who have seven years of eligible service, may access their accrued entitlement to long service leave, subject to approval by the School. Under the amended FRR, \$3,420,000 of the accrued long service leave of all employees with seven years of eligible service was reclassified from non-current to current at 31 December 2017, and comparative information was restated for consistency.		
However, based on known and approved applications for long service leave at the reporting date, and historical trends, approximately only \$600,000 of the Provision for Long Service Leave classified as current as at 31 December 2017 is expected to be paid in the ensuing 12 months.		
The 31 December 2016 financial statements reported the current portion of the provision as \$750,000 and the non-current portion as \$3,526,000.		
15. Unearned income		
Current		
Fees in advance	2,771	1,859
Other	397	-
Total current provisions	<u>3,168</u>	<u>1,859</u>
Non-current		
Fees in advance	363	226
Total non-current provisions	<u>363</u>	<u>226</u>
Total unearned income	<u>3,531</u>	<u>2,085</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

16. Asset revaluation surplus

	Land (S'000)	Buildings (S'000)	Total (S'000)
Balance 1 January 2016	37,009	23,436	60,445
Revaluation increments	2,765	4,191	6,956
Balance 31 December 2016	<u>39,774</u>	<u>27,627</u>	<u>67,401</u>
Balance 1 January 2017	39,774	27,627	67,401
Revaluation increments	-	-	-
Balance 31 December 2017	<u>39,774</u>	<u>27,627</u>	<u>67,401</u>
		2017 (S'000)	2016 (S'000)

17. Lease commitments

(a) Finance leases liabilities and chattel mortgages

Liabilities recognised in the Statement of Financial Position

Current	855	931
Non-current	404	478
Total finance lease liabilities	<u>1,259</u>	<u>1,409</u>

Commitments under finance leases liabilities and chattel mortgages at reporting date are inclusive of GST and are payable as follows:

- Not later than one year	887	966
- Later than one year but not later than five years	412	487
Total	<u>1,299</u>	<u>1,453</u>

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

(b) Non-cancellable operating leases

Commitments under operating leases at reporting date are GST inclusive and are payable as follows:

- Not later than one year	71	65
- Later than one year but not later than five years	108	72
- Minimum lease payments	<u>179</u>	<u>137</u>

Operating leases are held on terms of between 24 months and 36 months.

18. Capital expenditure commitments

Property plant and equipment	<u>270</u>	-
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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

19. Contingent liabilities and contingent assets

(a) Since 2002, in conjunction with its insurers, the School has been addressing claims by former students in respect to activities that occurred at the School dating back to the mid-1970s.

To address these issues, the School established and maintains an independent process to assist the claimants and their families and to also assess and advise the School in an objective manner in regard to these claims.

Subsequent to the recent Royal Commission into Institutional Responses to Child Sexual Abuse hearings in Brisbane, the School has received further claims from past students in regard to alleged abuse, which are also being processed through the School's established process.

At the date of this report, it is not possible to accurately quantify the timing or amount of any future settlements in regard to potential future claims nor the level of insurance that may be available to the School to assist in their settlement.

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

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

20. Superannuation

At the reporting date, two employees of the School are entitled to benefits from the School's defined benefit superannuation plan on retirement, disability or death (2016: five employees).

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

The unrecognised surplus in net assets in the defined benefit superannuation plan is \$569,000 (2016: \$519,000).

The detailed disclosures made in previous years are no longer considered necessary, due to the immaterial value of the remaining balances within the defined benefit superannuation plan.

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

	Note	2017 (\$'000)	2016 (\$'000)
21. Financial instruments			
Financial Assets			
Cash and cash equivalents	8	8,497	1,130
Trade and other receivables	9	661	628
Other financial assets:			
Fair value through comprehensive income	10	10,279	7,972
Total financial assets		<u>19,437</u>	<u>9,730</u>
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Trade and other payables	12	3,612	2,174
Borrowings	13	1,780	3,864
Total financial liabilities		<u>5,392</u>	<u>6,038</u>

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

22. Key management personnel and remuneration

a) Key management personnel

The School has assessed the key management personnel positions in the context of the School being constituted under the Grammar Schools Act 2016. Details of key management personnel positions, responsibilities, appointment dates and remuneration are set out in the following table.

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the School during 2017.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position
Elected Trustee (Three positions)	To supervise, maintain and control the conduct of the School. To make rules with regards to the management and control of the School.	Elected position through roll of electors and appointed by the Governor in Council	16 June 2016
Ministerial Nominated Trustee (Four positions to 19 September 2017 Three positions from 20 September 2017)		Appointed by the Governor in Council	16 June 2016
Headmaster	The Headmaster is responsible for the management of the School and the implementation of plans and strategies as approved by the Board of Trustees of the Brisbane Grammar School.	Six year contract	1 January 2014
Secretary to the Board of Trustees and Chief Financial Officer	All positions support the Headmaster in implementation of plans and strategies as delegated by the Board of Trustees of the Brisbane Grammar School.	Five year contract	13 March 2017
Deputy Headmaster (Five positions)		Five year contracts extended to: 31 December 2020 18 June 2021 31 December 2018 - 31 December 2018	4 September 2006 17 July 2006 1 January 2000 1 January 2014 24 May 2009
Executive Director Advancement & Community Relations		Four year contract	Appointed to Key Management Position 1 January 2017

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)**

22. Key management personnel and remuneration (continued)

b) Remuneration

The Trustees are not remunerated for their services. The remuneration and other terms of employment for the key management personnel are specified in their employment contracts.

For the 2017 year, increases to the remuneration of key management personnel were based on individual performance assessments, with increases aligned to the achievement of pre-determined individual performance targets.

Remuneration packages for key management personnel comprise the following components:

- Short term employee benefits, which include: Base remuneration - consisting of base salary, performance payments, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
- Non-monetary benefits, which include provision of motor vehicles and partial remission for School fees, together with any fringe benefits tax applicable to the benefits. Any partial remission of School fees provided to key management personnel, is consistent with the general entitlement of all of School employees who have their children enrolled in the School.
- Long term employee benefits, which include long service leave accrued.
- Post employment benefits, which include superannuation contributions.
- No redundancy payments were paid.

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Total Remuneration
	Base	Non-Monetary Benefits			
2017	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Headmaster ¹	472	0	64	19	555
Secretary to the Board of Trustees ²	69	3	3	7	82
Secretary to the Board of Trustees ²	213	1	6	21	241
Head of Middle School	175	17	7	25	224
Deputy Headmaster – Staff	175	45	6	25	251
Deputy Headmaster – Extracurricular	178	21	7	26	232
Deputy Headmaster – Students	175	26	5	24	230
Deputy Headmaster – Teaching & Learning	175	33	6	25	239
Executive Director Advancement & Community Relations ³	217	0	5	22	244

¹ A reconciliation of the Headmaster's remuneration between 2016 and 2017 appears subsequently in this note.

² The person occupying the role of Secretary changed in March 2017.

³ Performance payments for 2017 totalled \$20,000 which were paid to the Executive Director Advancement & Community Relations in two equal instalments on 5 May 2017 and 15 December 2017 (2016: Nil), the entitlement to which was conditional on the achievement of specific objectives set for the role.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

22. Key management personnel and remuneration (continued)

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Total Remuneration
	Base	Non-Monetary Benefits			
2016	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Headmaster	407	40	11	19	477
Secretary to the Board of Trustees	276	6	9	33	324
Head of Middle School	170	16	7	26	219
Deputy Headmaster – Staff & Community Relations	179	36	5	27	247
Deputy Headmaster – Extracurricular	170	19	6	26	221
Deputy Headmaster – Students	170	23	5	26	224
Deputy Headmaster – Teaching & Learning	170	30	6	26	232

The Headmaster's remuneration has not been reviewed since his appointment on 1 January 2014. In 2017, the Trustees approved implementing a Total Fixed Remuneration package effective 1 January 2016 which resulted in: (a) the non-monetary benefits being included in base salary; (b) back pay for 2016 paid in 2017; and (c) a restatement of accrued long service leave entitlements from the 2014 rate of pay to the 2017 rate of pay. A reconciliation of Total Fixed Remuneration to the amount expended in the operating results for each of 2017 and 2016 is set out in the table below.

Reconciliation of Headmaster's Remuneration: 2017 and 2016	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Total Remuneration
	Base	Non-Monetary Benefits			
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total amount expended 2017	472	0	64	19	555
Remuneration review prior periods	(9)	0	(51)	0	(60)
Total fixed remuneration 2017	462	0	14	19	495
Total amount expended 2016	407	40	11	19	477
Remuneration review paid 2017	9	0	0	0	9
Total fixed remuneration 2016	417	40	11	19	487

23. Related party transactions

Transactions with people/entities related to key management personnel

During the year, various key management personnel provided philanthropic support the School in the form of donations, which are regarded as 'ordinary citizen transactions' for the purposes of Australian Accounting Standards. During the year, the spouse of one of the employed members of the key management personnel team was also employed by the School for remuneration of \$32,850, including superannuation.

24. Events subsequent to balance date


No events have occurred subsequent to balance date that are required to be disclosed.

CERTIFICATE OF BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

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

- a) The foregoing general purpose financial statements have been prepared pursuant to 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 Regulation 2013* and other prescribed requirements.
- b) In accordance with s.62(1)(b) of the Financial Accountability Act, we certify that, in our opinion:
 - i) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects.
 - ii) The statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Board of Trustees of the Brisbane Grammar School for the year 1 January 2017 to 31 December 2017 and of the financial position of the School at the end of year.
 - iii) These assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.
- c) In accordance with s.60.15 of the *Australian Charities and Not-for-profits Regulation 2013*, we certify that, in our opinion:
 - i) There are reasonable grounds to believe the registered entity is able to pay all of its debts, as and when they become due and payable.
 - ii) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act*.

8 February 2018




Date

H L STACK
Trustee
Brisbane Grammar School

M J CORGAT
Secretary to the
Board of Trustees

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Brisbane 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 Brisbane 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 2017, 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 2017, 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 certificates given by the Chairman and the Secretary.

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.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with 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 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 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 2017:

- 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.


J F WELSH
as delegate of the Auditor-General



Queensland Audit Office
Brisbane

Glossary

A&CR	Advancement and Community Relations
ACER	Australian Council for Educational Research
AITSL	Australian Institute for Teaching and School Leadership
ATAR	Australian Tertiary Admissions Rank
BGGS	Brisbane Girls Grammar School
BGS	Brisbane Grammar School
BGSOBA	Brisbane Grammar School Old Boys' Association
Board	The Board of Trustees of the Brisbane Grammar School
BOYD	Bring Your Own Device
DHM	Deputy Headmaster
E&S	Education and Staffing
FTE	Full Time Equivalent
GPS	Great Public Schools' Association of Queensland Inc.
HoD	Head of Department
HoMS	Head of Middle School
HoY	Head of Year
ICT	Information and Communication Technologies
MOOC	Massive Open Online Course
MS	Middle School
NAP	National Assessment Program
NAPLAN	National Assessment Program - Literacy and Numeracy
NMS	National Minimum Standards
NSSAB	Non-State Schools Accreditation Board
OP	Overall Position
P & F	Parents and Friends'
PD	Professional Development
PE	Physical Education
PSC	Public Service Commission
QCAA	Queensland Curriculum and Assessment Authority
QCST	Queensland Core Skills Test
QCT	Queensland College of Teachers
QDU	Queensland Debating Union
QTAC	Queensland Tertiary Admissions Centre
RAM	Random Access Memory
SAN	Storage Area Network
SEWB	Socio-Emotional Wellbeing
SLT	Senior Leadership Team
STEAM	Science, Technology, Engineering, Art, Mathematics
UQx	University of Queensland's edX arm, developing MOOCs, researching online learning and collaborating with partner institutes

Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 8	p. ii
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 10.1	p. iii
	<ul style="list-style-type: none"> Public availability 	ARRs – section 10.2	p. i
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i>	N/A
	<ul style="list-style-type: none"> Copyright notice 	ARRs – section 10.3 <i>Copyright Act 1968</i>	p. i
	<ul style="list-style-type: none"> Information Licensing 	ARRs – section 10.4 <i>QGEA – Information Licensing</i>	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.5	
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 11.1	p. 5
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 11.2	p. 7
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 11.3	p. 12 to 37, 43
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 12.1	p. 7
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 12.2	p. 15 and 19
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 12.3	p. 7 to 37
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.4	N/A
Governance - risk management and accountability	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	p. 37
	<ul style="list-style-type: none"> Executive management 	ARRs – section 14.1	p. 45 and 48
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 14.2	p. 46 and 47
	<ul style="list-style-type: none"> Public Sector Ethics Act 1994 	ARRs – section 14.3 <i>Public Sector Ethics Act 1994</i>	p. 42 and 43 N/A
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 14.4	
Governance - risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.5	p. 42
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 15.1	p. 45
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 15.2	p. 45
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 15.3	p. 45
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 15.4 ARRs – section 15.5	p. 49 and 50 p. 50

Summary of requirement	Basis for requirement	Annual report reference	
Governance - human resources	<ul style="list-style-type: none"> Workforce planning and performance 	ARRs - section 16.1	p. 27 to 29
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i>	N/A
		Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2017)	
		ARRs - section 16.2	
Open Data	<ul style="list-style-type: none"> Statement advising publication of information 	ARRs - section 16	p. 53
	<ul style="list-style-type: none"> Consultancies 	ARRs - section 17 ARRs - section 34.1	p. 53
	<ul style="list-style-type: none"> Overseas travel 	ARRs - section 17 ARRs - section 34.2	p. 53
	<ul style="list-style-type: none"> Queensland Language Services Policy 	ARRs - section 17 ARRs - section 34.3	N/A
Financial statements	<ul style="list-style-type: none"> Certification of financial statements 	FAA - section 62 FPMS - sections 42, 43 and 50	p. 83
		ARRs - section 18.1	
	<ul style="list-style-type: none"> Independent Auditor's Report 	FAA - section 62 FPMS - section 50	p. 84 to 85
		ARRs - section 18.2	

*FAA - Financial Accountability Act 2009

FPMS - Financial and Performance Management Standard 2009

ARRs - Annual report requirements for Queensland Government agencies



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