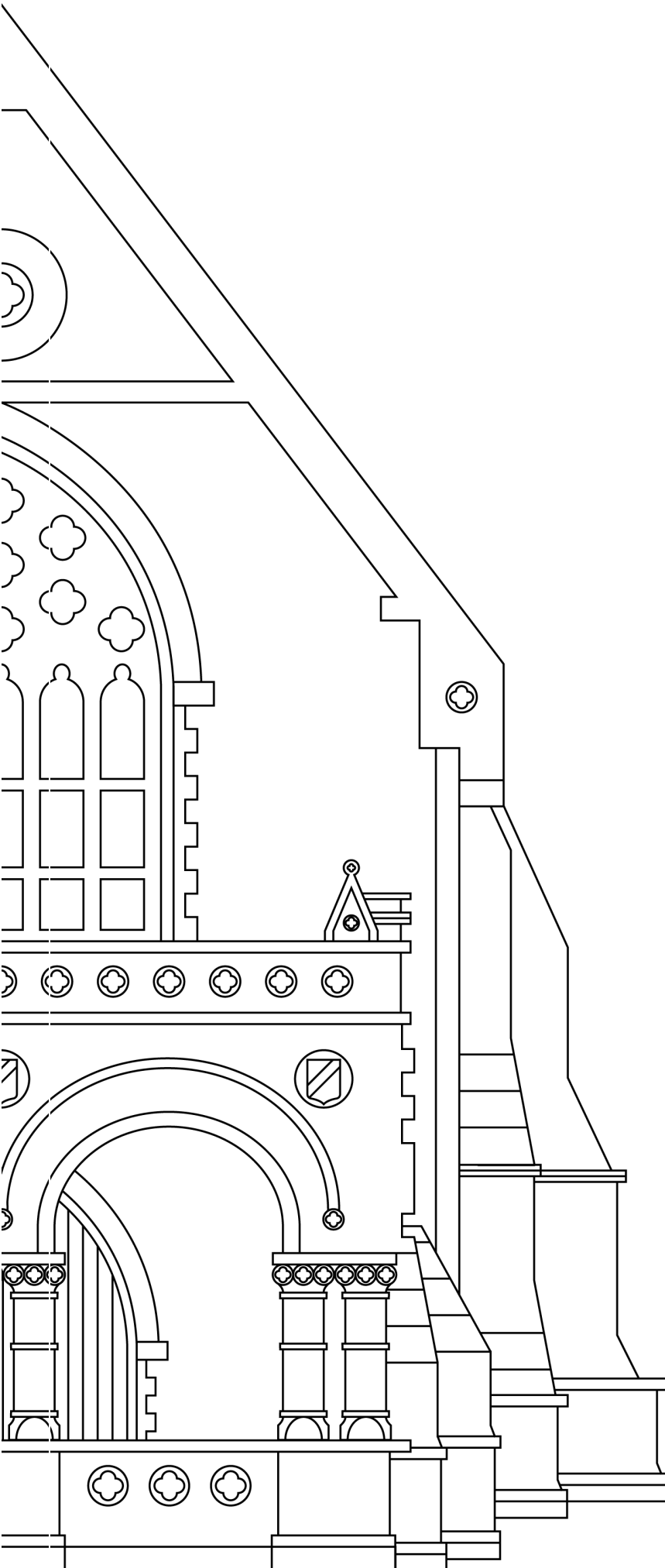




BRISBANE GRAMMAR SCHOOL



ANNUAL REPORT 2021



BRISBANE GRAMMAR SCHOOL

Interpretation Requests



Brisbane Grammar School is committed to providing accessible services to people from all culturally and linguistically diverse backgrounds. Please provide any feedback, interpreter requests, copyright requests or suggestions to the Deputy Headmaster People and Culture at the undernoted address.

Report Availability

This report is available for viewing by contacting the Deputy Headmaster People and Culture.

Brisbane Grammar School

Tel (07) 3834 5200
Email reception@brisbanegrammar.com
Website www.brisbanegrammar.com

Online www.brisbanegrammar.com/information/reporting

CRICOS Provider Number 00489C

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LETTER OF COMPLIANCE



BRISBANE GRAMMAR SCHOOL

24 February 2022

The Honourable Grace Grace MP
Minister for Education, Minister for Industrial Relations and Minister for Racing
1 William Street
Brisbane Qld 4000

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2021 and financial statements for 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 2019, and
- the detailed requirements set out in the Annual Report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is provided at page 50 of this Annual Report.

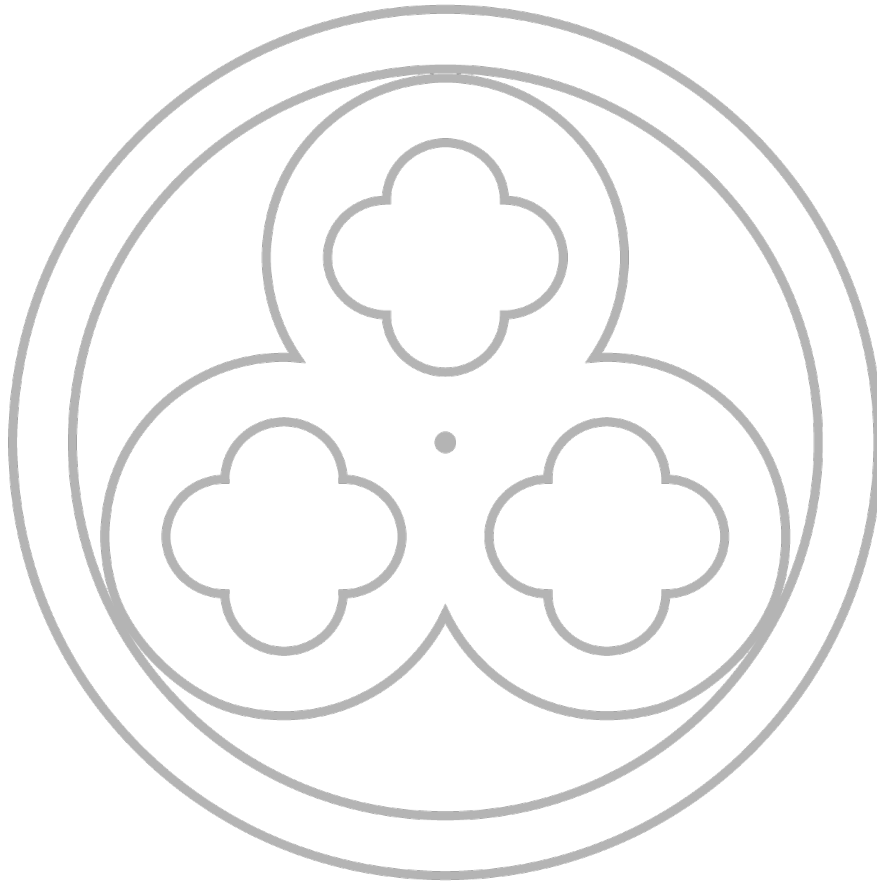
Yours sincerely

John Humphrey
Chair – Board of Trustees

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CRICOS Number 00489C

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Section A

Governance Report

ABOUT THE SCHOOL

Locations

Spring Hill Campus

Brisbane Grammar School provides education programs on five campuses. The main campus of nearly eight hectares is on Gregory Terrace overlooking 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 houses.

Tennis Centre

Close to the Spring Hill campus is the Tennis Centre, adjacent to Victoria Park. 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.

Northgate Playing Fields

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 12km from the Spring Hill campus and are located at 773 Nudgee Road, Northgate.

Rowing Shed

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

Outdoor Education Centre

The School has provided a vibrant outdoor education experience for students for over 40 years at the Outdoor Education Centre, Pepperina Hill, on the shores of Lake Moogerah. 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 are 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 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.

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.

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 (QCT) Code of Ethics for Teachers in Queensland.

The School and its 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 employee practice, which is guided by and demonstrates endeavour, learning, respect, leadership 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 simplify administrative processes. 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 is responsible for the administration of the *Grammar Schools Act 2016*.

On 27 August 2020, the Board of Trustees was reconstituted in accordance with the provisions of the *Grammar Schools Act 2016* and *Grammar Schools Regulation 2016*. The reconstituted Board consists of:

- four Trustees nominated by the Minister for Education; and
- three Trustees elected in accordance with the process prescribed by the *Grammar Schools Act 2016* and *Grammar Schools Regulation 2016*.

The table below lists the Trustees who held office during the year ended 31 December 2021.

Elected Subscriber Representatives	Ministerial Nominees
Mr John Humphrey (Chair)	Mr Warren Traves (Deputy Chair)
Mr Stephen Bizzell	Ms Claire Blake
Dr Angela Ryan	Ms Megan Corfield
	Professor Doune Macdonald

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

Strategic Risks, Opportunities and Challenges.

The School has a number of opportunities, challenges and risks in the current operating environment. These include:

- (i) Population growth in South East Queensland;
- (ii) Balancing parents' capacity to absorb fee increases with the School's desire to maintain and, where appropriate, increase the levels of service;
- (iii) Increasing competition from both public and independent schools in the School's broad catchment areas;
- (iv) Regular changes to government funding models which impact mid and long-term planning;
- (v) Ongoing uncertainties related to the COVID-19 pandemic; and
- (vi) Significant cost structures for grammar schools pertaining to staff, insurance, energy, and regulatory compliance.

During the year ended 31 December 2021, the Board of Trustees approved a refreshed strategy for the School as set out below:

Vision	To be the best school for boys in Australia	
Purpose	Brisbane Grammar School educates boys within an innovative learning culture that nurtures their intellectual, physical and emotional wellbeing to become global citizens who contribute to their communities.	
Strategic Imperatives	Education Provide a safe and supportive learning environment where students attain best academic, wellbeing and cocurricular outcomes.	Community Work together to enhance BGS programs, enact cultural values and celebrate school traditions and achievements.
Strategic Enablers	People BGS recruits and retains the best people to deliver premium educational programs to BGS students.	
	Places BGS provides contemporary virtual and physical facilities, so that BGS people can deliver premium educational programs to BGS students.	
	Programs BGS students fulfil their potential because the School offers premium educational programs, delivered by the best people in contemporary virtual and physical settings.	
Values	Learning Respect Endeavour Community Leadership	

Board Committees

All members of the Board of Trustees perform their duties on a part-time basis for no remuneration. The Board of Trustees met thirteen (13) times during 2021. The Board has established various committees which meet regularly to provide detailed governance in specialist areas. These committees comprise representatives of the Board as indicated below:

	Finance	Education	Nominations	Advancement and Community Relations	Digital
Mr Humphrey	Member	Member	Chair	Member	Member
Mr Traves*					
Ms Corfield	Member				Chair
Ms Blake	Chair				
Prof Macdonald		Chair	Member		
Dr Ryan				Member	
Mr Bizzell	Member			Chair	

* Mr Traves is the Chair of the STEAM Project Control Group which oversees all governance aspects of the STEAM Precinct Project, including funding, design, procurement, regulatory approvals, construction and commissioning. The STEAM Project Control Group meets monthly and more often as required.

Finance Committee

The Finance Committee meets up to seven (7) times per year and monitors the business activities of the School including financial performance, treasury management and risk management. This Committee also oversees the external audit, internal audit, and statutory financial reporting obligations of the School.

Education Committee

The Education Committee meets several times a year and reviews progress and plans regarding the education program, curriculum and pedagogical practices of the School. This committee oversees the advancement of the School's Effective Thinking Cultures agenda and the School's Education Improvement Plan.

Nominations Committee

This Committee meets as required to assess and advise on various aspects of the Board, including performance evaluation, skill assessment, composition and succession planning.

Advancement and Community Relations Committee

The Advancement and Community Relations Committee meets as required and monitors various aspects of the School's community relations, including the Parents and Friends' Association Inc. and the Old Boys' Association. This Committee also focuses on advancement activities, including fundraising and marketing efforts. The current fundraising priorities of this Committee include the Bursary Fund and the Building Fund (STEAM Precinct).

Digital Committee

The Digital Committee was established during the year ended 31 December 2021 to oversee the School's digital strategy. This Committee is presently focused on performing governance over the School's Digital Transformation Program, which is a four-year project aimed at further improving the educational outcomes for the students of Brisbane Grammar School.

Biographies – Current Board Members

Mr John Humphrey | LLB (UQ) Trustee since May 2018, Chair

John Humphrey was appointed to the Board of Trustees on 17 May 2018 and was elected as Chair on 10 October 2019. John has over 30 years of experience as a commercial lawyer. In his role as Executive Dean of the Faculty of Law of Queensland University of Technology from 2013 to 2019, John was responsible for the development and leadership of the School of Law, School of Justice and Legal Practice Unit.

Prior to joining QUT in January 2013, John was a Senior Partner at the leading law firm King and Wood Mallesons where he specialised in corporate mergers and acquisitions and general commercial work. John is or has been the Chairman and/or a director of a number of listed public companies and is a former member of the Australian Takeovers Panel.

He is a BGS Old Boy '71.

Mr Stephen Bizzell | BCom (UQ), MAICD, SA Fin

Trustee since Aug 2020

Stephen Bizzell was elected to the Board of Trustees in 2020. He is a highly experienced senior executive, company director and corporate advisor with broad accounting, corporate finance, risk management and

commercial skills. Stephen's executive career saw him build and lead successful businesses in Australia and internationally in the energy, resources and financial services sectors. Over the past 25 years, he has served as a director or chairman of 16 stock exchange-listed public companies including Arrow Energy, Bow Energy, Diversa, Stanmore Coal, Strike Energy, and Maas Group Holdings and is a former director of Queensland Treasury Corporation. He is currently the executive chairman of a boutique corporate advisory and funds management business, a director of a number of listed companies and is a member of the Queensland Advisory Board for Starlight Children's Foundation. He is a BGS Old Boy '84 and his father, brother and two eldest sons are also BGS Old Boys. He currently has a daughter at BGGs.

Ms Claire Blake | BCom, FCPA, FCA, FFin, AGIA, GAICD

Trustee since Aug 2020

Claire Blake was appointed to the BGS Board of Trustees in 2020. Claire is the Chief Financial Officer of QIC Limited. She has over 30 years of experience in financial services and has held a variety of roles within QIC. Claire is a director of numerous QIC subsidiary companies, a member of the QIC Executive Committee and Chair of the QIC

Corporate Management Committee and of the QIC Financial Reporting Committee. She is a Fellow of CPA Australia, the Financial Services Institute of Australia and Chartered Accountants Australia. Claire's son graduated from BGS in 2021.

Ms Megan Corfield | BCom, BA (Econ) (UQ), GAICD

Trustee since Apr 2018

Megan Corfield is a strategic businesswoman and leadership coach with 25 years of executive and governance roles across utilities, sustainability, professional services, government, and major events. Megan's past executive roles included as an EGM at ERM Power (now Shell Energy), Director General with the Queensland Government, CEO and EGM roles within the utilities and sustainability industries and as a Director at PwC. Megan also has 11 years as a Nonexecutive director with numerous organisations and now serves on the boards of Unitywater, Altogether Group, Infrastol and Brisbane Grammar School and has previously served on the Tourism and Events Queensland, GOLDOC (Commonwealth Games Organising Committee) and Urbis Boards.

Professor Doune Macdonald | BHMS(Ed) (Hons)(UQ), PhD (Deakin), FNAK, FAIESEP, GAICD

Trustee since Dec 2011

Professor Doune Macdonald was appointed to the BGS Board of Trustees in 2011. After an early career in teaching, Doune returned to The University of Queensland (UQ) while undertaking her PhD in Education at Deakin University. In 1998 she won the Australian Award for University Teaching. She has published 16 books and more than 200 book chapters and research papers in curriculum, policy and equity and has undertaken curriculum evaluations for state and national initiatives. She was the Head of the UQ School of Human Movement Studies (2004-2013) and is currently the Pro-Vice-Chancellor (Teaching and Learning) at UQ, where she is responsible for achieving the University's teaching and learning objectives. Doune serves on the Board of the Queensland Curriculum and Assessment Authority (QCAA), sits on the Centre for Youth Substance Abuse Research Advisory Group, is an International Fellow of the National Academic of Kinesiology (USA) and sits on its Executive Committee, and is a

graduate member of the Australian Institute of Company Directors.

Dr Angela Ryan | MB, BS (UQ), FRACGP
Trustee since Aug 2020

Dr Angela Ryan was elected to the Board of Trustees in 2020. She is a GP with almost 25 years of experience as a medical practitioner, including six years working for Queensland Health in rural medicine and hospital-based specialty training. She has served on the AMA Queensland Branch Council. She was appointed as a Clinical Lecturer at The University of Queensland Medical School for three years, teaching and supervising medical students and junior doctors. She was a member of the UQ Medicine Magazine Focus Group in 2017 and has been an interviewer for entry into the UQ Graduate Medical Course for the UQ Medical School since 1995. She is heavily involved with the BGS community, volunteering across many committees, sporting groups, school events and Tuckshop. She is a keen photographer and has exhibited and sold at the BGS Art Show. Two of her three sons graduated from BGS in the past few years, with another still at the School.

Mr Warren Traves | BE(Hons), MEngSc, FIEAust, CPEng, RPEQ, FAICD
Trustee since May 2018, Deputy Chair since 2020

Warren Traves was appointed to the Board of Trustees on 17 May 2018 and was elected Deputy Chair on 10 September 2020. Warren is a civil engineer with extensive experience in engineering and management. He has been with leading Australian professional services firm GHD for three decades and is a past director of the company. He is currently Chief Risk Officer and part of the firm's Enterprise Leadership Team. Warren is a past director of the Queensland Bulk Water Supply Authority (Seqwater) and has also been involved in a range of research bodies including the Advanced Water Management Centre at The University of Queensland, the Cooperative Research Centre for Water Sensitive Cities and the Australian Water Recycling Centre of Excellence. He is a BGS Old Boy '82, as are his father, brother and son.

The Board of Trustees of the Brisbane Grammar School

Act or instrument	<i>Grammar Schools Act 2016</i>
Functions	<p>The functions of the Board of Trustees, as specified in Section 11 of the <i>Grammar Schools Act 2016</i>, are:</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> 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); a. Any other function given to the Board under this Act or another Act.
Achievements	<p>During 2021, the members of the Board of Trustees contributed to the realisation of a number of planned activities at the School including:</p> <ul style="list-style-type: none"> • review and update of the School's master plan; • review and refresh of the Brisbane Grammar School Strategy; • allocation of resources to substantially progress realisation of the School's integrated STEAM pedagogy and infrastructure (the most significant capital works project in the School's 153 years history); • allocation of resources to complete a comprehensive upgrade of the School's boarding house facilities; • review and allocation of resources for enhanced risk management, digital strategy and the School's strategic framework; • review and allocation of resources for the development of a new digital transformation strategy; • championing the School's philanthropic agenda; and • allocation of resources to further enhance the School's pedagogy to position student thinking at the heart of education.
Financial matters	<ul style="list-style-type: none"> • During 2021 the Board approved an operating and capital expenditure budget for the year ending 31 December 2022. • The management of cash flow and the investment of funds was overseen by the Board's Finance Committee. • The Board secured a \$40 million loan facility from Queensland Treasury Corporation to partially fund the STEAM Precinct project. • The Board procured and contacted Watpac Construction Pty Ltd to construct the STEAM Precinct over a two-year period. <p>The Financial Statements of the School for the year ended 31 December 2021 received an unmodified opinion from the Queensland Audit Office.</p>

Remuneration						
Position	Name	Meetings / sessions attendance	Meetings / sessions required to attend	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Chair	Mr John Humphrey	13	13	Nil	Nil	Nil
Deputy Chair	Mr Warren Traves	13	13	Nil	Nil	Nil
Member	Mr Stephen Bizzell	12	13	Nil	Nil	Nil
Member	Ms Claire Blake	13	13	Nil	Nil	Nil
Member	Ms Megan Corfield	9	13	Nil	Nil	Nil
Member	Prof. Doune Macdonald	12	13	Nil	Nil	Nil
Member	Dr Angela Ryan	12	13	Nil	Nil	Nil
No. scheduled meetings / sessions			13			
Total out of pocket expenses			0			

SENIOR LEADERSHIP TEAM

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 to the members of the SLT are shown in the organisational table below.

Headmaster	Chief Financial Officer and Secretary to the Board of Trustees	Catering Manager Director of Finance Facilities Manager Risk and Compliance Manager
	Deputy Headmaster Cocurricular	Assistant Director of Sport Director of PE, Sport and Activities Directors of individual sports Head of Activities Head of Performance Development Heads of Art, Drama and Music
	Deputy Headmaster People and Culture	Director of School Operations Director of Enrolments Director of ICT Digital Transformation Manager Manager People and Culture
	Deputy Headmaster and Head of Senior School	Archivist Director of School Operations Director of Boarding Director of Outdoor Education Director of Counselling and Academic Services Director of Student Wellbeing Programs Head of Middle School Heads of Year Nurse Manager School Marshal
	Deputy Headmaster Teaching and Learning	Director of Assessment and Reporting Director of Digital Learning Director of Information Services Director of Learning Programs Director of School Operations Heads of Department
	Head of Middle School	Curriculum Assistants Middle School Head of Activities Head of Middle School Administration and Events Head of Middle School Curriculum Heads of Department Heads of Year
	Executive Director Advancement and Community Relations	Alumni and Community Relations Manager Director of Advancement Manager - Marketing and Communications
	Executive Director Educational Innovation	Director of Organisational Learning Director of Teaching Development Head of Learning Analytics Learning Data Manager Special Advisor, Educational Improvement

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

Headmaster

Anthony Micallef is the 12th Headmaster of Brisbane Grammar School, commencing in the role in 2014. 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 cocurricular domains. For the past 25 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 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 and Young; 10 years in the corporate finance function of Jupiters Limited (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. Mark is a Chartered Accountant (Australia), and has worked in several teaching capacities for both the Institute of Chartered Accountants and Griffith University. Mark is a member of the Management Committee of the Queensland Association of School Business Administrators.

Ms Inma Beaumont | BBus, BEcon (UV), FCCA

Executive Director Advancement and Community Relations

Inma Beaumont joined BGS at the beginning of 2020. She is an experienced Advancement professional, having implemented fundraising and engagement operations for three different units over six years at The University of Queensland. Inma led the fundraising campaign to renovate the Forgan Smith Building, home to the T.C. Beirne School of Law at UQ. She subsequently spent three years as Director of Advancement at the UQ Faculty of Health, where she conceived and delivered a major gifts program. Her fundraising experience follows a 15-year career in finance, including as CFO of Citibank Australia. She is a non-executive director of UN Women Australia, Speech Pathology Australia and Women's College at UQ.

Ms Rebecca Campbell | BEd(OUT), MEdSt(UON), ProfCertIns(Melb), MACEL

Head of Middle School

Rebecca Campbell joined BGS in mid-2013 as the School's first Head of Years 5 and 6. She has spent the past 15 years working in GPS boys schools. A dedicated educator, she is committed to creating a positive learning culture that supports the holistic development of each student. Rebecca is a graduate of the University of Newcastle where she completed a master's degree specialising in educating boys. In recent years she has attained a Professional Certificate in Instructional Leadership through the University of Melbourne. Rebecca acted in the Head of Middle School role in Term 1 2017 and from 2018 to 2020. She was appointed to the position of Head of Middle School in 2021.

Mr David Carroll | GradDipArts (ACU), BA (UQ), GradDipTeach (ACU), MEL (ACU)
Deputy Headmaster and Head of Senior School

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 focuses on establishing a system of individual care, where boys are mentored within a safe, supportive, and connected environment. In 2021, his role was extended to include responsibility for the day-to-day running of the School, with a particular focus on the Senior School.

Mr Ed Roper | BEd (JCU), BAppSc (Maths) (QUT), MACEL, Sabbatical (Harvard)

Deputy Headmaster People and Culture
Ed Roper joined the School as the ICT curriculum support teacher and Teacher of Mathematics in 1982. Since then, he has been a Boarding Housemaster, Head of Year, Head of Mathematics, and, in the early 2000s, planned and led the introduction of middle schooling at BGS. He commenced in the role of a Deputy Headmaster in 2006 within the Staffing and Community Relations area, and in his current role in 2021.

Mr Greg Thorne | B.Ed (QUT)

Deputy Headmaster Cocurricular
Greg Thorne joined BGS in January 2019. He is an experienced educational leader with a broad range of proficiencies. He has expertise in student wellbeing roles, curriculum leadership and school administration. Greg was part of the Senior Leadership Team at Nudgee College for eight years, most recently as the Director of Activities (Sport & Culture). He has also been chairperson of multiple GPS Association sub-committees.

Mr Steve Uscinski | BA (Hons)(UQ), GradDipT, MEd (QUT)

Deputy Headmaster 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 Housemaster, school administrator and curriculum innovator and leader.

Ms Jacqui Zervos | BA (UQ), DipEd (UQ), MEdSt (UQ), MACEL, MACE

Executive Director Educational Innovation
Jacqui Zervos joined the School in 1995 as a Teacher of Geography and History, having completed her initial teacher qualification at The University of Queensland in 1987 and then spending seven years teaching with Education Queensland. Jacqui is well known as a passionate and exemplary Teacher of Geography and took on the position of Head of Year in 2001. During the following five years as Head of Year, Jacqui completed her Master of Education at The University of Queensland with a major study into boys education. She was appointed Head of Middle School in 2006. In 2018 she was seconded to her current position and in 2020 was confirmed as Executive Director Educational Innovation on a permanent basis from 2021.

STATUTORY REQUIREMENTS

Risk Management

Risk management at Brisbane Grammar School is undertaken using the methodology recommended in the International Standard ISO 3100:2018 and has been deliberately aligned to the Schools Strategic Plan and Vision.

The School employs a Risk and Compliance Manager who reports directly to the Chief Financial Officer. The Risk and Compliance Manager has implemented and now administers risk management software ensuring compliance tasks, risk mitigation controls and policy compliance are being proactively aligned and monitored.

A full suite of risk management governance documents has been approved by the Board of Trustees including Risk Management Policy, Risk Management Framework, Risk Appetite Statements and Risk Register.

Identified risks are maintained in a Risk Register and appropriate controls are implemented to ensure these risks remain within the agreed appetites. Risk controls are reviewed and updated as required to provide a resilient assurance structure.

Strategic and operational risk is reported regularly to the Senior Leadership Team, Finance Committee, and the Board of Trustees.

Audit

Internal Audit

The Finance Committee oversees the School's internal audit function. The audit plan, scope and cost of the internal audit function is determined by the Finance Committee. The audit procedures and reporting of the internal audit function are performed by an independent specialist audit firm.

External Audit

The Queensland Audit Office performs the external audit of the School's financial statements, in accordance with applicable legislative requirements, including: the *Financial Accountability Act 2009*, the *Financial and Performance Management*

Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2013*, the *Auditor-General Act 2009*, and *Australian Accounting Standards – Reduced Disclosure Requirements*. The Finance Committee of the Board of Trustees oversees the external audit process and engages directly with the Queensland Audit Office's delegate in conjunction with, and without, the School's Executive Management.

External Scrutiny

Financial Accountability Act 2009, Auditor-General Act 2009

As a statutory body, Brisbane Grammar School is required to prepare financial statements in accordance with the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2019*. These statements are subject to annual audit under the *Auditor-General Act 2009*.

The financial statements for the year ended 31 December 2020 are available from the Publications website of the Queensland Government.

The financial statements for the year ended 31 December 2021 are included in the Appendix of this Annual Report.

In addition, the financial statements of Brisbane Grammar School are also prepared in accordance with applicable requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Regulation 2013*, and other prescribed requirements.

In May 2021, the Queensland Audit Office (QAO) tabled a report in the Queensland Parliament entitled *Education 2020 (Report 18: 2020-21)*. This report may be accessed online at the QAO website 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 2020. The QAO report provides an overview of the grammar schools' finances for the year ended 31 December 2020 and of

the financial accounting issues that arose during the audits.

There were no matters contained in the QAO Report specifically addressed to Brisbane Grammar School.

Education (Accreditation of Non-State Schools) Act 2017

As defined in Section 6 of the *Education (Accreditation of Non-State Schools) Act 2001* (the Act), Brisbane Grammar School is a non-State school providing primary (Years 5 and 6) and secondary (Years 7 to 12) education.

Education (General Provisions) Act 2006

As an operating non-State School under the *Education (General Provisions) Act 2006* (the Act), the School has not issued any directions under sections 346, 348, 349 and 350 of the Act. During the reporting period 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 *Education (Queensland College of Teachers) Act 2005*, 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. The Royal Commission has completed its task although both Commonwealth and State Governments continue to implement some of its recommendations. The School has implemented a program of continuous review and updating of its child protection policies and procedures.

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 resolving these claims has always been a face-to-face, personal apology by the Chair and current Headmaster, ongoing counselling for as long as is necessary, and mediated compensation payments where each former student is represented by independent lawyers. 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.

National Redress Scheme

On 8 August 2019, the Board of Trustees of Brisbane Grammar School resolved to apply for entry into the National Redress Scheme, well ahead of the legislated time frame for such applications of 30 June 2020.

The establishment of the National Redress Scheme was a key recommendation of the Royal Commission into Institutional Responses to Child Sexual Abuse.

The School's application for entry into the National Redress Scheme was accepted in April 2020, following which there have been 18 applications to the Scheme for redress by former students. All of those applications have either been assessed by the Scheme, with offers made to the applicants, or are in the process of being assessed. Where requested by the applicant, the Chair of the Board and the Headmaster or Deputy Headmaster have met with the applicant to provide a direct personal response on behalf of the School.

The School will also continue to operate its own redress scheme so that those who experienced abuse in the past will have two separate paths available to pursue redress.

Abolition of limitation periods in respect of child sexual abuse claims

On 8 November 2016, Queensland Parliament enacted the *Limitation of Actions (Child Sexual Abuse) and Other Legislation Amendment Act 2016* which abolished limitation periods in respect of child sexual abuse claims. That Act included section 48(5A) which allows a court to set aside a previous settlement of a child sexual abuse claim if the court is satisfied that it is just and reasonable to do so. The section gives the court a wide discretion.

In June 2018, a former BGS student who suffered sexual abuse by Kevin Lynch filed an application in the Supreme Court for an order setting aside a settlement agreement he entered into in October 2002.

On 21 June 2019, that application was dismissed by the Supreme Court. The former student filed a notice of appeal in respect of that decision by the Supreme Court. That appeal was heard by the Court of Appeal on 19 November 2019. Subsequently, on 7 September 2020, the Court of Appeal unanimously dismissed the appeal. The applicant then filed an application for leave to appeal to the High Court. This application was dismissed by three High Court Judges on 20 May 2021. At the reporting date there are no current applications to set aside previous settlements.

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 its 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 mobile application and Windows software.
- The School converts all paper-based enrolment records to digital form.
- 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 and 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 is in place.
- A comprehensive Security Information Policy (IS18:2018) is in place.

Queensland State Archives released its new Records governance policy in June 2018 with an update in April 2019.

The School is currently conducting a gap analysis of its alignment with the new policy. The School currently has in place a document destruction freeze protocol.

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

There are a number of formal roles assigned to the records keeping function. These include the:

- Archivist;
- Director of ICT;
- Director of Digital Learning; and
- Chief Financial Officer.

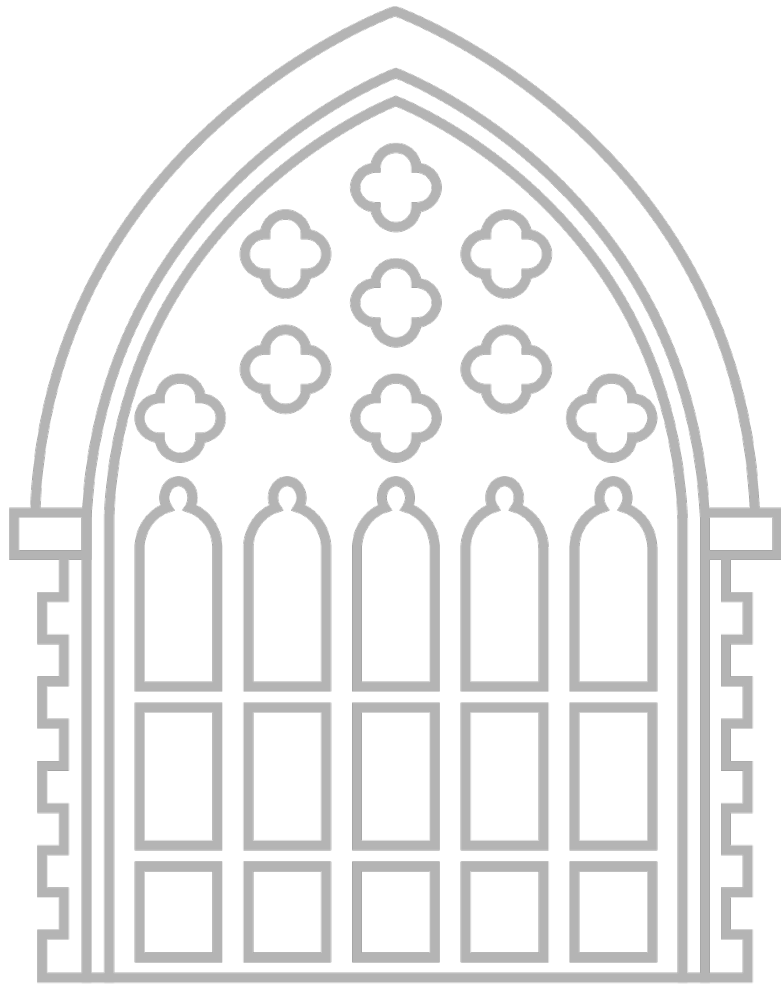
These roles have specific duties regarding public records and are complemented by processes designed to preserve public records. For example, all records of meetings of the Board of Trustees are digitised, catalogued and stored in the archives.

Government's Objectives for the Community

During 2021 the School carried out a number of activities which contributed to the government's objectives for the community. These are listed below.

<p>Safeguarding our Health: Safeguard people's health and jobs by keeping Queensland pandemic ready.</p>	<p>Brisbane Grammar is committed to ensuring a safe place of work, learning and wellbeing for our staff and students. The School is also committed to ensuring this continues to occur during the COVID-19 pandemic. To achieve this, Brisbane Grammar School monitors the advice provided by the Queensland Government and the Queensland Chief Health Officer to ensure staff, students and community members are well supported during this time.</p> <p>The School developed a COVID-19 Safe Plan to advise staff and students on key health and operational aspects to assist provide a safe environment. The focus of the plan is categorised under four headings:</p> <ul style="list-style-type: none"> • Infection Control • Student Focus • Staff and Volunteer Focus • Teaching, Learning and Cocurricular <p>The School's application to developing a safe environment in both the day and boarding school has been substantial and well supported by staff and students.</p>
<p>Supporting Jobs: Support increased jobs in more industries to diversify the Queensland economy and build on existing strengths in agriculture, resources and tourism.</p>	<p>BGS operates on a predominantly insourced business model to create and sustain long-term employment for its staff. This model extends to staff permanently employed in our many support functions, including catering, cleaning, and building and grounds maintenance. During 2021 the School was able to provide employment security for all staff.</p>
<p>Building Queensland: Drive investment in the infrastructure that supports our recovery, resilience and future prosperity.</p>	<p>The procurement arrangements for the \$75 million STEAM project respect the local business test advocated by the Queensland Government, with the significant majority of persons working on the project employed in the State of Queensland.</p>
<p>Investing in Skills: Ensure Queenslanders have the skills they need to find meaningful jobs and set up pathways for the future.</p>	<p>The School's 2021 graduates once again demonstrated that they had access to pathways for their futures through their preferred post-school destinations. The School also committed significant resources to its ongoing investment in developing Effective Thinking Cultures and preparing STEAM pedagogy.</p>

<p>Backing Small Business: Help small business, the backbone of the state's economy, thrive in a changing environment.</p> <p>Making it for Queensland: Grow manufacturing across traditional and new industries, making new products in new ways and creating new jobs.</p>	<p>The BGS Procurement Policy favours local business and service providers. In addition, BGS community-owned businesses are promoted via our website.</p>
<p>Backing our Frontline Services: Deliver world-class frontline services in key areas such as health, education and community safety.</p>	<p>As detailed in this report, the School transitioned in and out of home-based learning, adopting an alternate timetable without impacting significantly on teaching and learning time. Also during 2021 the School commenced the Digital Transformation Program (DTP) which aims to enhance its use of ICT to provide support for teaching and learning, and business processes at the School. The DTP will continue implementation during 2022 through 2024.</p>
<p>Protecting the Environment: Protect and enhance our natural environment and heritage for future generations and achieve a 50 per cent renewable energy target by 2030.</p>	<p>Environmental protection is embedded in the School's strategy and in its key performance indicators. The School has targets for CO₂ reduction, utility cost and waste reduction, and for environment protection projects involving its students. The School has commissioned an independent energy audit in 2022 with a view to identifying further opportunities to reduce energy consumption and broaden the School's renewal energy profile. The previous energy audit was performed in 2018.</p>
<p>Growing our Regions: Help Queensland's regions grow by attracting people, talent and investment, and driving sustainable economic prosperity.</p>	



Section B

Strategy Report

FROM THE CHAIR

2021 has been both a challenging year for the School and a year of substantial achievement.

While we were not as badly disrupted as we were in the previous year, coping with the challenges of COVID while educating our students has again been our primary focus.

The core business of the School is the holistic education of boys. However, academic achievement is a notable aspect of our offering. The highlights of the 2021 BGS Year 12 cohort ATAR outcomes are:

- 11 students achieved the top rank of 99.95
- 4 students achieved a 99.90
- ATAR 99 and above was achieved by 18.6%
- ATAR 95 and above was achieved by 50.3%
- ATAR 90 and above was achieved by 69.5%
- A median ATAR of 95.30
- Top scores in subjects: 20 perfect scores of 100
- 21 students scored: >90 in six or more subjects
- 24 students scored: >90 in five or more subjects
- 100% of students received an ATAR and are eligible for tertiary offers

Infrastructure – STEAM and Harlin House

A key element of our strategic plan is the provision of high-quality infrastructure. Our STEAM Precinct is at the forefront of this.

We broke ground on this exciting project early in 2021; demolition and site clearing were completed; and construction began. Due to the COVID-19 pandemic, the construction is slightly behind schedule and it is expected to come online in 2023.

When completed, the STEAM Precinct will be a hub for ideas, innovation and intellectual growth, and it has been purpose built to develop the kinds of thinking that will ensure that BGS remains at the forefront of educational practice in this state in the coming decades.

I am pleased to report that the refurbishment of Harlin House was completed which means our offering to boarders will be substantially upgraded and competitive. Boarders play an important role in the life of the School, and as our international and state borders reopen, the upgraded facilities should make boarding at the School a more attractive option.

Digital Infrastructure

Another key element of our strategic plan is the provision of high-quality digital infrastructure coupled with a strong data analytics capability.

We are making progress on our Digital Transformation Program (DTP) and have budgeted to spend \$3m over the next three years. Our ICT infrastructure will be improved to gather and use student academic, wellbeing and cocurricular data more effectively. Using this data, we will better understand how each boy is progressing and where support and guidance can be given so further improvements can be made. I expect that significant progress will be made on this program during the next 12 months.

Data Analytics

One of the key aims of the DTP is to extract value from the data we collect and use it to improve educational outcomes for the boys.

The Years 11 and 12 academic summary dashboard – which is a visualisation of all school-based internal assessment items (IAs) combined with key QCAA data – was produced so that teachers, parents and boys could see, at a glance, how boys were progressing in their senior subjects.

Importantly, these dashboards were used as the stimulus for one-on-one learning conversations with teaching staff where the focus was on academic grades, but more importantly, on what boys could do to improve.

Culture

Like any successful organisation, we recognise that the School 'culture' plays an important role in how we function. We are currently working on a number of projects to enhance and improve the School culture in the areas of:

- Bullying;
- Respectful relationships and healthy sexuality; and
- Student leadership.

The three projects are at different stages. In the bullying project we have had an audit of School policies and practices carried out by experts in this field, Dr Karen Healy and Dr Hannah Thomas.

The audit has identified that, though our existing policies and systems are good, there are areas for improvement. Resources have been developed for staff training which will result in BGS staff being better trained than ever to identify, react and manage issues.

Several events in 2021 brought respectful relationships clearly into focus. Former Sydney school student Chanel Contos issued a request to young women to report on their sexual assault experiences. The nature of the overwhelming response indicated that we are living in a society where seemingly widespread problems exist in the area of consent within sexual relationships.

As one part of our response to this issue, the Board asked for the School's existing '**respectful relationship and healthy sexuality program**' to be reviewed. The School is working with leading experts in this area, Dr Tessa Opie and Associate Professor Michael Flood.

Dr Opie has reported to the School with recommendations and an implementation plan, which will be developed and rolled out over the next few years. One of our objectives in working with Associate Professor Flood will be to develop the expertise and capacity of our Student Wellbeing Team, and to develop a series of short videos to help parents navigate this space with their sons.

And finally, the Board has asked for the student leadership programs offered by the School to be reviewed against best practice. This will provide opportunities for students to develop leadership skills that will prepare them for future roles. The School has connected with Associate Professor Fiona Kate Barlow to assist with reviewing our current program.

A key objective is to develop our students' ability to reflect on their experiences and how these experiences shape who they are as leaders. BGS leaders don't bully others and are respectful of others in all contexts. In many ways, work done in developing leadership in our students will benefit the two other 'cultural' programs.

As well as reviewing the student leadership framework and its ability to develop leadership skills, the School will also take the opportunity to review the current student leadership selection process to make sure it aligns with the values and behaviours the School seeks to recognise and foster.

In undertaking these projects, we see ourselves as working collaboratively with parents to entrench an appropriate set of values and behaviours in the boys. However, we are very clear that we are

the junior partner in these endeavours, and that parents are the senior partners. We rely on the active participation of parents to help us achieve good outcomes, as the School cannot do that on its own.

Cocurricular

A very important part of the holistic education provided by Brisbane Grammar are the cocurricular activities that we make available.

It was pleasing to see that our efforts in cocurricular activities in 2021 met with success, and even more pleasing to see the breadth of the activities we offer and the levels of student participation in the disjointed year that was 2021.

I would like to thank the Headmaster, the members of the Senior Leadership Team (SLT) and all BGS staff members for their extraordinary efforts in 2021.

I would also like to thank my colleagues on the Board of Trustees for their efforts in helping the SLT manage an extremely complex organisation. The Trustees all give generously of their time and their level of commitment to the School is outstanding.

John Humphrey
Chair

FROM THE HEADMASTER

While the 2021 school year began with the usual flurry of orientation proceedings, academic programs, student wellbeing activities, cocurricular endeavours and community events, we found time to celebrate the strong academic outcomes of the 2020 Seniors.

The 2021 cohort's exceptional median ATAR score of 95.30 reflects the depth of their collective engagement and says much about the academic culture at BGS.

Although the ATAR is a fair measure to recognise academic excellence, it is used to rank students solely for the purposes of university entry. The School's priority is to shift the conversation and emphasis from a single number released mid-December to have every BGS student focus on the quality of learning.

BGS Strategy

Our pursuit of excellence seeks to position Brisbane Grammar School as the best school for boys in Australia. We are determined to employ a winning strategy that differentiates a BGS education and provides learning and enrichment experiences that ensure a unique value proposition. Our strategy focuses upon nurturing people, building new and refurbishing existing infrastructure, and delivering programs that amplify student outcomes and promote community engagement.

BGS Critical Projects

Supporting the School's Strategy are a range of Critical Projects, the first of which is Effective Thinking Cultures.

Effective Thinking Cultures

This framework is the School's commitment to our students to consistently create classroom practices in which their thinking is the process for intelligent and logical learning. It is an approach to education that promotes self-regulated thinkers who can respond confidently to knowledge and process challenges. BGS is the only school in the country to adopt Effective Thinking Cultures, an evidence-informed co-constructed approach to the School's curriculum system and educational philosophy. It has been developed in close collaboration with Dr Peter Ellerton, founding Director of the University of Queensland's Critical Thinking Project. The School's approach is further informed by Professor Peter Taylor, who has served as an academic advisor to the School since 2011; Ms Jacqui Zervos, Executive Director of Educational Innovation; and more recently by Dr Hannah Campos-Remon, Director of Organisational Learning at BGS.

STEAM

The second critical project is the STEAM Precinct. This development represents the most significant infrastructure project in the School's history; however, there is more to STEAM than just the remodelling of the campus. Increasingly, STEAM curriculum is recognised as a compelling driver of national economic growth. Educators are being urged to produce graduates with creative and innovative abilities required of an increasingly digital workforce. Thus, STEAM educators are designing curricula and pedagogies that develop students' disciplinary knowledge and skills, their abilities as thoughtful consumers of information, innovative designers, good communicators, collaborative decision-makers, and most importantly ethically astute citizens. By integrating Art with Science, Technology, Engineering and Mathematics, BGS is intentionally responding to the pressing need to prepare young people with higher-order abilities to deal constructively and creatively with 21st-century global challenges.

Harlin House

Similarly, the School's investment in Boarding, a program which dates back to 1886, remains a strategic priority. Harlin House, built in 1971, has undergone many cosmetic enhancements since then, but the Board's decision to dedicate \$4m to a thorough redevelopment, following the opening of Griffith House in 2020, sends a strong message about the School's pledge to Boarding. The rebuilt interior was completed in December 2021 and we look forward to reopening Harlin House in January 2022.

Digital Transformation

Additionally, the School's investment in digital infrastructure enables modern capabilities such as advanced learning analytics. The COVID pandemic accelerated our reliance on technology and BGS has successfully transitioned to home-based learning on multiple occasions. Increasingly schools and their teachers are being asked to use data and research to inform their practice, and rightly so. At BGS there has been pleasing progress in 2021 to strengthen the School's capability to generate its own valid and reliable internal data, effectively utilise external data, and carefully examine research to drive educational improvement.

Middle School

The aforementioned Critical Projects and the School's educational reputation allow BGS to enjoy sustained enrolment demand, in excess of current capacity, and it is for these reasons that preparations are being made to facilitate prudent Middle School growth. To accommodate the growing numbers and additional classes, the New Building, constructed in 1916, and the current Art Centre will form part of the future Middle School precinct. The Art Centre will house the Years 7 and 8 Library and a modern staff room, and the New Building will accommodate Year 8 classes, therefore providing a seamless physical transition to the Senior School precinct.

Student Wellbeing

Brisbane Grammar School's purpose is to educate boys within an innovative learning culture that nurtures their intellectual, physical, and emotional wellbeing to become global citizens who contribute to their communities. To augment this objective, BGS has enlisted specialists in anti-bullying, respectful relationships, and student leadership education.

Dr Karyn Healy from the University of Queensland conducted a whole-school bullying audit in 2020 and her report, while complimentary of BGS systems, also provided recommendations which are currently being implemented by the Student Wellbeing Team.

Some time ago, BGS also engaged Dr Tessa Opie the founder and director of *In Your Skin*, to support BGS staff to educate our students about respectful relationships and sexual consent. She has reviewed BGS curriculum and provided recommendations to supplement our current program.

The third culture project is focused on Student Leadership. As society has changed, so too has people's concept of leadership. It is therefore prudent to review the School's current student leadership curriculum and structures to assist BGS students to better understand the dispositions of effective leadership and to provide multiple opportunities to lead in diverse contexts.

Outdoor Education

An example of learning and leading is through the boys' annual Outdoor Education experience. The new Year 11 program invites students to guide a junior class. This mentoring role develops the older boys' sense of self, refines their leadership skills and strengthens connections across the year levels.

Cocurricular

Furthermore, the School's Cocurricular programs offer an essential experience in the education of boys. All programs are extensively supported by students and there continues to be positive advocacy by parents. In 2021 the student cohort recorded victories in Debating, Fencing, Gymnastics, Sailing, Swimming, Tennis and Volleyball. The cohort also logged podium finishes in Chess, Cricket, Cross Country, Football, Rowing and Track and Field, and they performed commendably in Basketball and Rugby. The boys of 2021 also recorded laudable achievements in a broad raft of other sports and activities.

In the cultural domain, despite the challenges of COVID, the BGS Music and Drama programs produced impressive performances. Integrity and a code of honour was at the heart of this year's Senior Dramatic Production, *A Few Good Men*. The show was inspired by an inventive production team and a gifted cast who delivered mature performances of the play's iconic characters, fast-paced dialogue, and memorable one liners.

Years 9 and 10 students were involved in Queensland Theatre's *The Scene Project*. They quickly pivoted from a live performance to a filmed documentary that captured excerpts from Matthew Whittet's *We Are The Mutable*, written distinctly in the teenage voice.

The music highlight was *Grammar in Concert* with the satisfying sounds of Grammar Vocal Ensemble, Senior Percussion Ensemble, and the Symphony Orchestra playing *Lord of the Rings* in a spectacular finale. More recently *Sing, Swing & Celebrate* was the event where all choirs and jazz bands entertained the 500-strong crowd.

While most students, 95% in fact, represented BGS in sports and cultural activities, many also participated in a diverse selection of special interest, academic extension and public purpose activities. Currently, BGS offers over 40 clubs, with some of those groups competing in state and national competitions. Of note was the premier Robotics Team who placed second at RoboRAVE, and two further robotics teams won the right to represent Queensland at the Tech Challenge. The opening of STEAM in 2023 will give some of these special interest groups a purpose-built home in which to refine their talents.

In closing this report, I thank the Board of Trustees for providing clearly defined strategic direction for our organisation. They are committed to the advancement of the School's objectives, student outcomes and community ideals.

I offer my express thanks to the members of the Senior Leadership Team for their resolute stewardship of the BGS community, and to all members of the BGS staff. Their involvement and influence in any year is important, but like 2020, 2021 has tested our resolve; and if not for the teachers, business and services staff, and cocurricular staff, the School could not provide such high-quality educational experiences, nor form such a high-functioning educational community.

Lastly, my appreciation extends to the parent body for their resolve and composure during the COVID enforced disruptions and to so many parents who willingly volunteer their time to support the many activities the School offers.

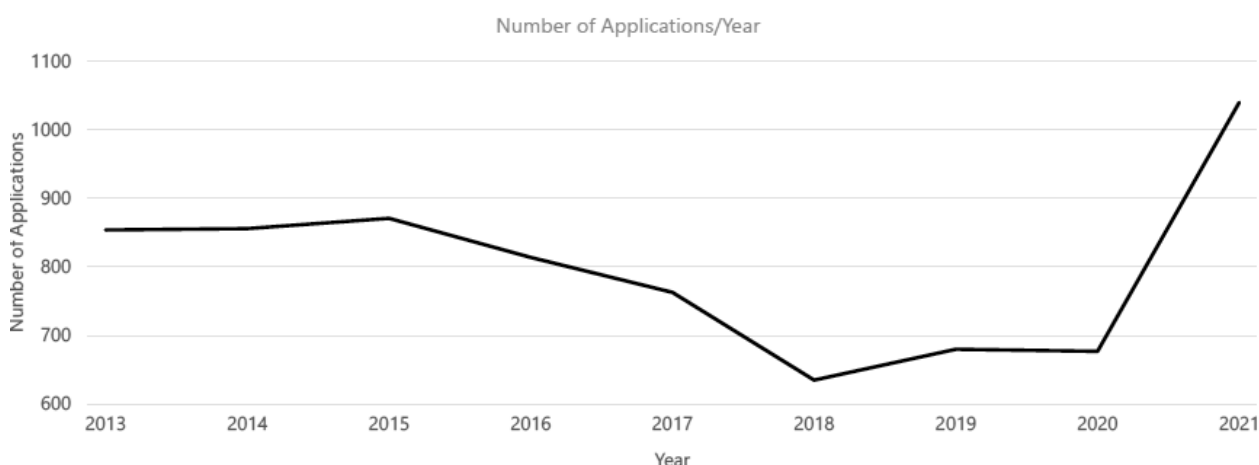
Working together, we fortify the social fabric of our school.

Anthony Micallef
Headmaster

2021 IN 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. The School's relative performance on these indicators during 2021 is shown in the following graph and tables. The current application numbers ensure that the School's Waiting List remain strong for the next 10 years. The majority of applications are for Year 5 and Year 7 entry (day school) with applications (per year) continuing to fluctuate each year. The number of applicants between 2013 to 2015 reflects the introduction of Year 5 and 7 entry (moving from Year 6 and 8) which effectively resulted in double intakes for those years.



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

Student Numbers at Month End - 2021											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Year 5	104	107	107	107	107	107	107	107	107	107	107
Year 6	106	110	110	110	111	111	110	110	110	110	110
Year 7	260	258	258	258	257	257	255	255	255	255	255
Year 8	250	248	247	247	250	250	249	248	248	248	248
Year 9	260	262	262	262	260	260	260	260	260	260	260
Year 10	260	256	256	256	256	256	256	256	256	257	257
Year 11	260	267	267	267	267	267	266	266	266	267	267
Year 12	260	287	287	287	287	287	287	286	286	286	286
Total	1760	1795	1794	1794	1795	1795	1790	1788	1788	1790	1790
Of whom: Full time boarders		72	74	74	70	68	69	69	69	68	68
Temporary boarders	0	0	0	0	1	1	0	0	0	0	0

Table 1: total student population at the School, including the number of boarding students

Academic

NAPLAN Results

NAPLAN Results – Year 5

Year	Cohort	Reading		Writing		Spelling		Grammar / Punctuation		Numeracy	
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %
5	QLD	505	95	468	91	496	94	496	93	486	95
	Aust	511	95	480	93	504	94	503	94	495	95
	BGS	573	98	510	96	545	99	567	97	573	99

Table 2: comparison of average NAP performances and percentages of students at or above the NMS in Year 5 for BGS, Queensland and Australia

NAPLAN Results – Year 7

Year	Cohort	Reading		Writing		Spelling		Grammar / Punctuation		Numeracy	
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %
7	QLD	537	94	510	86	544	94	526	87	542	93
	Aust	542	94	522	90	548	94	533	90	550	93
	BGS	618	100	576	99	616	100	611	99	654	100

Table 3: comparison of average NAP performances and percentages of students at or above the NMS in Year 7 for BGS, Queensland and Australia

NAPLAN Results – Year 9

Year	Cohort	Reading		Writing		Spelling		Grammar / Punctuation		Numeracy	
		Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %	Average Score	Benchmark %
9	QLD	568	87	539	77	574	91	567	86	579	94
	Aust	577	90	551	82	580	91	573	88	588	95
	BGS	640	99	601	95	635	98	640	98	671	100

Table 4: 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

The highlights of the 2021 BGS Year 12 cohort ATAR outcomes are:

- 11 students achieved the top rank of 99.95
- 4 students achieved a 99.90
- ATAR 99 and above was achieved by 18.6%
- ATAR 95 and above was achieved by 50.3%
- ATAR 90 and above was achieved by 69.5%
- A median ATAR of 95.30
- Top scores in subjects: 20 perfect scores of 100
- 21 students scored: >90 in six or more subjects
- 24 students scored: >90 in five or more subjects
- 100% of students received an ATAR and are eligible for tertiary offers

Post-school Pathways

Of the total number of students (285) 280 applied for a university or TAFE place. The total number of students who have received a tertiary offer is 99.6% (University).

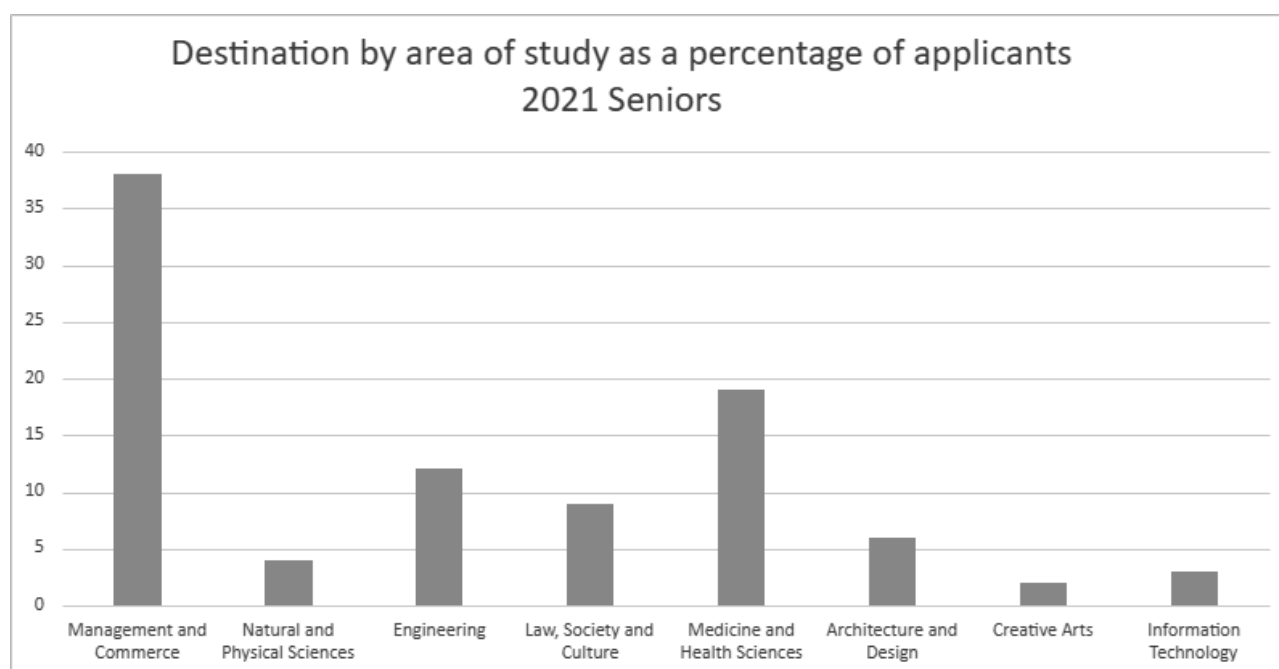
	2011	2012	2013	2014	2015	2016 ¹	2017	2018	2019	2020	2021
University	96.3	96.0	94.3	96.8	98.8	97.3	96.8	98.0	98.5	98.4	98.2
TAFE	2.1	2.0	3.7	0.4	0.8	0.4	1.6	0.8	0.5	0.4	0.0
Workforce	1.2	1.5	1.6	1.2	0.0	1.2	1.6	0.8	0.5	0.8	1.0
Other	0.4	0.5	0.4	1.6	0.4	1.2	0.0	0.4	0.5	0.4	0.7

Table 5: percentage of Year 12 graduate destinations by tertiary provider

¹ 2016 percentages total 100.1 due to rounding

Year 12 Post-school Destinations by Area of Study

2021 Brisbane Grammar School students' areas of study are shown in the following graph. The areas of study of the School's most recent Old Boys are closely aligned with future predictions, with 52% of 2021's Year 12s moving into key study areas involving science, health science, technology, mathematics, engineering and the creative industries.



Graph 2: percentage of Year 12 students' areas of study at university

As at 21 January 2022, students have received tertiary offers from:

- Australian Catholic University
- Australian National University
- Central Queensland University
- Griffith University
- James Cook University
- Macquarie University
- Monash University
- Queensland University of Technology
- The University of Queensland
- The University of Sydney
- University of Canberra
- The University of Melbourne
- The University of Newcastle
- University of the Sunshine Coast
- The University of New South Wales

Student Wellbeing

Student Wellbeing at Brisbane Grammar School seeks to provide an environment where boys are connected to their school and feel that they belong to the BGS community.

To best achieve this for each student, BGS staff focus on developing 'An Atmosphere of Care' that provides structure, the wellbeing curriculum, and student experiences that are reflected within the Student Wellbeing Development Plan and reviewed annually to best meet the needs of each year group.

The objective of the Brisbane Grammar School Student Wellbeing Framework is to shape graduates who embrace life and live the BGS motto, *nil sine labore* – nothing without work – in word and action.

BGS educates boys within an innovative learning culture that nurtures their intellectual, physical and emotional wellbeing to become global citizens who contribute to their community. This mission is enacted through each student's commitment to:

- Learning the School Values, rising to community expectations and appreciating the importance of school traditions
- Pursuing excellence in all endeavours
- Respecting self, others and the institution
- Leading through service, responsible decision making and thoughtful actions
- Wholeheartedly engaging in the community's vision and purpose

A formalised student wellbeing structure, which includes a dedicated Student Wellbeing Team and a scoped and sequenced student wellbeing curriculum, supports this mission for students. Every individual's progress through all areas of school life is monitored and stored in a student dashboard, together with additional case management of boys with particular needs.

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

- Strengths and Difficulties Questionnaire
- Adolescent Peer Relations Instrument
- Emotional Intelligence Survey
- Cultural Projects
- Student attendance rates
- Student retention rates
- Student involvement in cocurricular sport, cultural and club activities

Wellbeing Audit

Brisbane Grammar School conducts an audit of the psychological wellbeing and safety of students each year. These are undertaken by all students. In 2021, additional survey tools were added to increase the individual nature of the collected data. The Strengths and Difficulties Questionnaire was added to the Adolescent Peer Relations Instrument (2020). Both instruments have increased the School's ability to support students individually in a more proactive manner. In 2021, BGS also partnered with Swinburne University to measure each student's emotional intelligence. Combined with the other forms of collected data, BGS can create a profile for each student that assists support his individual needs.

Overall Student Wellbeing

Students with high overall levels of wellbeing 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 data collected in 2021 displays a pleasing trend of higher level of wellbeing than the comparative data in in all instruments.

Cultural Projects

The school also engaged Dr Karyn Healy to audit its practices related to bullying. This external audit is a critical component of the School's strategy to minimise bullying behaviour. BGS maintained its partnership with the Australian Childhood Foundation in 2021 who have continued to provide expertise in auditing the School's Child Protection practices. This is an ongoing process and will continue in the upcoming years.

In 2021, BGS engaged Dr Tessa Opie to audit its practices related to respectful relationships. As with the School's work in minimising bullying behaviour, this Cultural Project aims to continue to develop a culture of respectful relationships at the School. A third Cultural Project focusing on Student Leadership Development was also instigated in 2021.

Student Attendance Rates

Brisbane Grammar School manages student attendance through period-by-period electronic roll marking with follow-up notification to parents 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	2015	2016	2017	2018	2019	2020	2021
Attendance Rate (%)	95	96	96	96	97	96	96

Table 6: average student attendance rate (%) from 2015-2021

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 BGS. The School monitors the rate of student retention at the key junctures of Year 8 into Year 9 (Middle School to Senior School transition at BGS) and then from Year 10 to Year 12. The following table shows these retention rates over time.

Transition	2015	2016	2017	2018	2019	2020	2021
Year 8 into 9 (%)	99.2	96.0	96.1	98.9	98.8	99.2	99.2
Year 10 to 12 (%)	97.9	98.3	95.4	96.5	97.5	98.5	99.1

Table 7: students retention rates at key transitions at the School

Public Purpose

Brisbane Grammar School focused on the following in the Public Purpose program in 2021:

- Extending the program to include more action-based projects and local community partnerships
- Implementing regular collection and analysis of data to inform program development and capture student impact
- 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 through partnerships with RBWH Patient in Need Foundation, Rosie's on the Street, Community and St Vincent de Paul

Despite COVID restrictions, the Indigenous Immersion to Cape York proceeded, with a new leadership immersion planned for 2022.

Indigenous Program

In 2021, the Indigenous program built on its strong base and focused on:

- Finalising the Reconciliation Action Plan
- Expanding partnerships with Cape York Leaders Program, the Transition Support services and Clontarf Foundation
- Providing an induction and leadership program for Indigenous students living in Harlin House
- Continuing to provide a Years 5 to 10 Indigenous curriculum delivered in conjunction with the Outdoor Education program
- Providing key staff with professional development opportunities
- Increasing opportunities for Indigenous students to attend the School
- Celebrating important Indigenous rituals at formal assemblies and inviting guest speakers to address the assembly

Boarding House

In 2021, the Boarding program continued to progress goals that were established as part of the present five-year plan.

The following were the key actions undertaken:

- Established further processes, policies and practices that maintained the safe operation of the residential community in the context of the COVID-19 pandemic, particularly during the fortnight of quarantine for all boarding students at 89 Gregory Terrace.
- Completed the refurbishment of Harlin House and its conversion from a traditional residence into a purpose-built facility offering 79 single units of accommodation. This work further enabled a progressive experience for the boarders, and a model of care that responds to each boarder's very different needs as they mature.
- Implemented an extensive and varied marketing and recruitment program to engage with prospective families. This fostered an unprecedented level of interest resulting in the much-improved enrolments for 2022 and beyond.
- A data-informed model of pastoral care was further progressed through the introduction of routine and regular check-ins through the custom built Skodel platform. In combination with the already established Pulse Check and a goal setting and review process, the data collected was then used to engage students with focus and purpose.

Outdoor Education

The BGS Outdoor Education program aims to contribute to the development of a BGS graduate through sequential outdoor learning experiences from Years 5 to 11. Each year, students reflect upon these place-based experiences, building the dispositions of a BGS learner and leader throughout the outdoor journey. In 2021, the Outdoor Education Department completed the following actions:

- Incorporated the revised Student Leadership framework into the Outdoor Education Curriculum for Year 11 Outdoor Education Leaders
- Provided students in Years 7 to 10 cohorts with an individualised expedition program.
- Use the endorsed, Paul Gordon (Keeping Aboriginal culture alive | Office of the Registrar of Indigenous Corporation) Indigenous education curriculum in all Outdoor Education programs
- Developed community engagement through Outdoor Education events – Moogerah Committee Working Bee, Moogerah Committee bushwalk, P&F Auxiliary Moogerah Experience, Moogerah Locals Dinner
- Continued the collection of Outdoor Education data relating to the dispositions of the BGS graduate and BGS leader
- Continued the archive of individualised reflection videos for each Outdoor Education class experience

Cocurricular

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

Cocurricular involvement in multiple programs is central in the student's overall development as a member of the BGS community, promoting connectedness, teamwork, leadership and wellbeing.

The School encourages high levels of participation, achievement and the pursuit of excellence by boys who have talents in specific sports and activities. This involvement promotes holistic development, which is congruent with its mission of providing a broad, liberal education.

In annually reviewing its work towards these aims, the School monitors several indicators regarding the Cocurricular program. These include:

- Diversity of sports and activities offered;
- Students' participation in sports and activities, particularly related to the School's membership of The Great Public Schools' Association of Queensland Inc (GPS);
- Performance data, as one measure of achievement;
- Student involvement and selection in state and national representative teams; and
- The number, type and calibre of the visual and performing arts opportunities each year.

COVID-19

In 2021, some cocurricular offerings were affected by the COVID-19 pandemic – most notably those in Term 3 due to a school-wide quarantine period and subsequent reconfiguration of GPS fixtures that term. All programs did return, providing opportunities for competition and performance for our students. All program offerings operated with comprehensive COVID-safe plans.

* COVID-impacted.

Sport	2016	2017	2018	2019	2020	2021
Basketball	35	44	52	36	28*	34
Cricket	37	41	41	38	32	32
Football	47	47	51	46	29*	39
Rowing	25	23	25	24	20	22
Rugby	24	22	23	22	14*	20
Sailing	5	6	6	4	4	4
Tennis	32	31	31	32	31*	32
Volleyball	21	23	23	21	21	21

Table 8: Numbers of teams/crews involved in team-based GPS sports

Year Level	2016	2017	2018	2019	2020	2021
5	98	99	99	97	99	97
6	99	99	99	98	98	99
7	95	98	96	98	93	96
8	98	96	96	96	97	95
9	95	99	95	95	94	97
10	93	95	93	91	92	92
11	93	94	94	93	88	93
12	90	92	86	87	95	84
TOTAL (averaged)	94	97	95	94	94	94

Table 9: Percentage of students engaged with the Cocurricular program

* COVID-impacted.

GPS team competition outcomes			
Sport/Activity		Percentage of games won	Percentage of 'A' games won/draw
Basketball *		31%	9%
Chess *		60%	69%
Cricket		56%	57%
Debating		65%	70%
Football		68%	58%
Rugby *		38%	41%
Tennis		91%	90%
Volleyball		76%	55%

Table 10: The School's achievements in GPS team sports and activities

* COVID-impacted.

Championship competition outcomes		
Activity		Result
Cross Country		7
Gymnastics		1
Rowing	Old Boys' Cup	6
	O'Connor Cup	5
Sailing		2
Swimming		2
Track and Field *		7

Table 11: The School's achievements in GPS championship events

Performing Arts – Drama

The School's highly successful theatre season featured three works that showcased the dramatic talent of BGS boys. Students auditioned for productions aligned to their year level. In 2021, these productions were:

Senior Dramatic Production

Integrity and a code of honour were at the heart of *A Few Good Men*, originally produced on Broadway in 1989. Written by Academy Award winner Aaron Sorkin, the iconic characters, fast-paced dialogue and memorable one-liners – “*you can't handle the truth*” – posed a challenge, particularly with a young cast. Years 11 and 12 students, with QUT artist-in-residence India Rose, developed that mysterious alchemy of acting skills and intuition to build authentic and dynamic performances. Students captured the American accent, mastered complex military drills and convincingly portrayed a story with mature themes. A large-scale media screen, authentic, hyper-realist set design, fast transitions and visual motifs enabled thrilling moments of drama. The pre-show performance featuring the School's Marching Band and Firsts Rugby squad (performing military cadences) embodied the US Military context and our BGS spirit.

Junior Dramatic Production

In collaboration with Queensland Theatre, *The Scene Project* provided our Years 9 and 10 ensemble with the opportunity to reinterpret Matthew Whittet's *We Are The Mutable*. Written in the teenage voice, each episode explores individual journeys emphasising our shared experiences. The devising process highlighted a key message: change is inevitable. We discovered it is often smaller moments – rather than a big event – that ‘mutate’ us into who we become. What began as a piece of political theatre morphed into a filmed documentary performance due to lockdowns and COVID-19 restrictions in Term 3. The ensemble rose to every challenge, working as co-artists to reimagine the script numerous times under various restrictions. Their creative resilience was stretched as the project shifted to a filmed performance and was a true testament to the boys' strong artistry.

Middle School Dramatic Production

The (un)Remarkables is an original production written and directed by BGS Drama staff. The citizens of Saffron City are enjoying perpetual peace thanks to the heroic efforts of the *Legion of Legends*. Hero Academy's Dean of Herology, Full Power, welcomes a new cohort of future heroes and sidekicks, including his own sons Max and Murphy Power. Trouble looms, as a dastardly villain plots to overturn the societal order. *The (un)Remarkables* emerged from the directorial team's desire to write a story inspired by students in Years 5 to 8. The production challenged its audience to consider what really makes a hero. Beneath the capes and catchphrases, the pomp and pageantry, this was a tale that highlights humility, and celebrates the quiet achievers supporting from the sidelines rather than stealing the spotlight.

Performing Arts – Music

In 2021, the challenges of COVID taught us how important Music is to the fabric of life at BGS. Despite missing over a month of rehearsals during Term 3, our young musicians worked in their own homes and practice studios, honing their skills in preparation for re-joining their peers.

Much of 2021 was highly active for the Music program. For the Music Soiree in Term 1, choirs and strings shook off the cobwebs of summer holidays and thrilled a huge audience in the Great Hall in a terrific start to the performance year. Music also returned to Centenary Hall, with Term concerts featuring the catchy rhythms and clanging sounds of a percussion ensemble to the booming harmonies of a Concert Band. The addition of live-to-screen video to improve visibility at the back of the hall was also a hit.

The return of *Grammar in Concert* after a hiatus in 2020 was a highlight. We were excited to gather in the Edmund Rice Performing Arts Complex in May to hear our elite ensembles. Appropriately titled *Live Again*, the concert opened with an energetic massed performance of the song *Live in Living Colour*. Also notable was the Symphony Orchestra's performance of *Lord of the Rings* with the soaring voice of boy soprano Eric Su.

This year's seniors have been particularly strong, showing a great deal of musical leadership across all ensembles. Led by Captain of Music Sebastian Beirne, our leaders drove the program to new heights, as shown by the series of finale concerts in Term 4. A very special event was *Sing, Swing and Celebrate*. This popular concert brought together almost 600 people on the transformed cricket nets (renamed the "Sound Shed") for our Jazz Bands and choirs to thrill the audience with some outstanding performances.

The year ended with *Lessons and Carols* in the beautiful St John's Cathedral. The choirs thrilled a spellbound audience with their Christmas renditions, with the addition of a chamber orchestra. The enthusiastic singing of the crowd accompanied by the organ was a suitable way to celebrate a year of Music.

Staff

Brisbane Grammar School employs close to 300 fulltime equivalent staff members across academic, and business and services areas. All staff play an important part in enabling the School to deliver on its educational commitment to students across the three core school programs – Academic, Cocurricular and Student Wellbeing.

The School recognises that its success in delivering an exceptional education program is driven largely by the dedicated efforts of its highly talented workforce. Brisbane Grammar School attracts high-quality people, many of whom maintain lengthy tenures. The School is committed to the wellbeing and safety of staff in its care.

As at December 2021, 93.0% of the staff at the School in January 2021 remained employed at the School.

BGS Workplace Culture Strategy

During 2021 the School completed its People and Culture Strategy and associated Action Plan. These documents have been widely socialised and will inform the work of the People and Culture Office for the next three years.

Advancement and Community Relations

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

In 2021, A&CR's focus moved to four key strategic areas:

1. Delivering the School's fundraising strategy for the STEAM precinct, the renovation of Harlin House and the Bursary Fund.
2. Delivering a new BGS Brand and Marketing strategy.
3. Supporting the School's communication requirements as a consequence of the COVID-19 pandemic.
4. Re-engaging with Alumni and the Community after the halt in 2020.

The key indicators used to monitor performance in these areas are:

- Fundraising outcomes in dollars, number of donors and number of gifts. Giving Day Results. Donor Stewardship Strategy.
- Strategy Delivery. Open Day attendance numbers.
- Numbers of events and community members who engaged with these events.

The fundraising strategy continues into 2022 to achieve the three-year campaign goal.

A new donor stewardship strategy was implemented in 2021 that sees our major donors receiving donor reports biannually.

A three-year marketing strategy was delivered in 2021 for day and boarding students, including a new brand strategy for BGS: "In Pursuit of Excellence".

KPI	2020 *	2021
Funds raised	\$2M	\$3.9M
Number of donors	395	583
Number of gifts	608	784
Giving Day result	n/a	\$1M
Open Day attendance	N/A (~2,500 in 2019)	~4,500
Number of events	25	35
Events attendance	745	2175

Table 12: A&CR KPI results 2021-2020 (*2020 figures lower than expected due to COVID-19 restrictions limiting events)

Infrastructure

STEAM Precinct

The construction of the \$75 million STEAM Precinct substantially progressed during the year, following the appointment of Watpac Construction Pty Ltd. Construction was preceded by the demolition of four buildings, and the completion of significant enabling works including the installation of ten temporary classrooms and maintenance facilities, the temporary conversion of No.2 Oval into a staff car park, and the permanent relocation of the Grammar Shop and the boarding school laundry. The STEAM Precinct is scheduled to be completed in 2023.

Harlin House Major Renovations

During 2021, a \$5 million renovation was completed in the senior boarding house (Harlin House) comprising modern amenities, individual student accommodation rooms, and upgraded recreation and social spaces. While the project was undertaken, the boarding students were temporarily accommodated at 89 Gregory Terrace (formerly the QCWA Motel) recently acquired by Brisbane Girls Grammar School. The renovation of Harlin House follows the establishment in 2020 of the School's first dedicated junior boarding facility (Griffith House), confirming the School's long-term commitment to boarding.

Fire Indicator Panels and Public Address System

Several fire indicator panels were replaced to improve network connectivity between all panels, and to enable the roll out of an improved campus-wide public address and lockdown system.

Spring Hill Campus Security

During 2021, the School continued to roll out electronic door locking systems, and closed-circuit television camera installations across the campus. New security fencing and gates were installed at various sections of the campus perimeter, including: along the front of the School; at various pedestrian entry points; and at temporary staff car parks.

The Lilley Centre Main Server Room

A new independent air-conditioning system was installed in The Lilley Centre main server room, enabling improved energy efficiency and temperature management of the high heat output of the sensitive server equipment.

Boarding Staff Residence Sound Insulation

Several windows in the boarding staff residences were fitted with new secondary glazing and sound insulation to limit the noise from the adjacent Normanby Fiveways intersection.

Spring Hill Cricket Nets Upgrade

The cricket nets in both the Indoor Sports Centre and the outdoor practice wickets were upgraded and replaced. Improved safety modifications were included with the upgrades.

BGS / BGGs Rowing Pontoon Project

After a prolonged approval process, Brisbane City Council approved an upgraded rowing pontoon to be installed at the rowing shed located at West End. The installation of the new pontoon is scheduled for April 2022 to coincide with the change in rowing seasons of the School and Brisbane Girls Grammar School.

Northgate Scoreboard

The electronic score board on No.1 Oval was severely damaged during a storm event early 2021. A new LED scoreboard was consequently installed which is programable for scoring a wide range of sports and is able to project live video images.

Northgate Wicket Roller

A new wicket roller vehicle was purchased to replace the former roller which had been acquired second-hand in 1997.

Finance

Financial Goals

The School includes among its ongoing financial objectives:

- Maintaining the financial capacity to provide for the sustainable and continuing operation of the School;
- 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 commensurate with government funding levels, competitive, affordable, and allow high quality to be maintained and improved;
- Regularly monitoring the financial and regulatory environment in which the School operates; and
- 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.

	2016	2017	2018	2019	2020	2021
Working Capital Ratio (a)	0.91	1.65	2.40	3.57	3.42	4.29
Debt per Student (b)	\$2,278	\$1,048	\$684	\$683	\$647	\$23,192
Reinvestment Ratio (c)	66%	11%	17%	19%	31%	182%

Table 13: Financial indicators from 2016-2021.

- 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 months period after 31 December. The increased Working Capital Ratio reflects the School's decision to fully draw down the \$40 million Queensland Treasury Corporation loan during 2021 to partially fund the STEAM Precinct build at low interest rates, with fixed payment outflows relating to this facility payable over 20 years.
- The Debt to Student ratio has increased due to the full draw down of the \$40 million Queensland Treasury Corporation loan referenced in point (a).
- The reinvestment ratio represents the cash invested in property, plant and equipment divided by net cash provided by operating activities. A high reinvestment ratio is considered prudent, given the measured cohort increase enabled by construction of the STEAM Precinct.

Underlying Financial Performance

The School reported a headline operating surplus for the year ended 31 December 2021 of \$4,340K compared to \$3,763K in the prior year.

The underlying operating surplus for the year ended 31 December 2021 was \$3,488K compared to \$3,449K in the prior year. Underlying operating surplus excludes significant non-operating and irregular transactions, including: the consolidation of the School's Deductible Gift Recipient Funds; STEAM Precinct pre-construction costs; COVID-19 pandemic impacts; and historical redress expenditures.

Brisbane Grammar School operates without the financial backing of a broader church or government system. Being a not-for-profit institution, all funds generated must be used to fulfil and further the School's educational mission to its students.

The School generates 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.

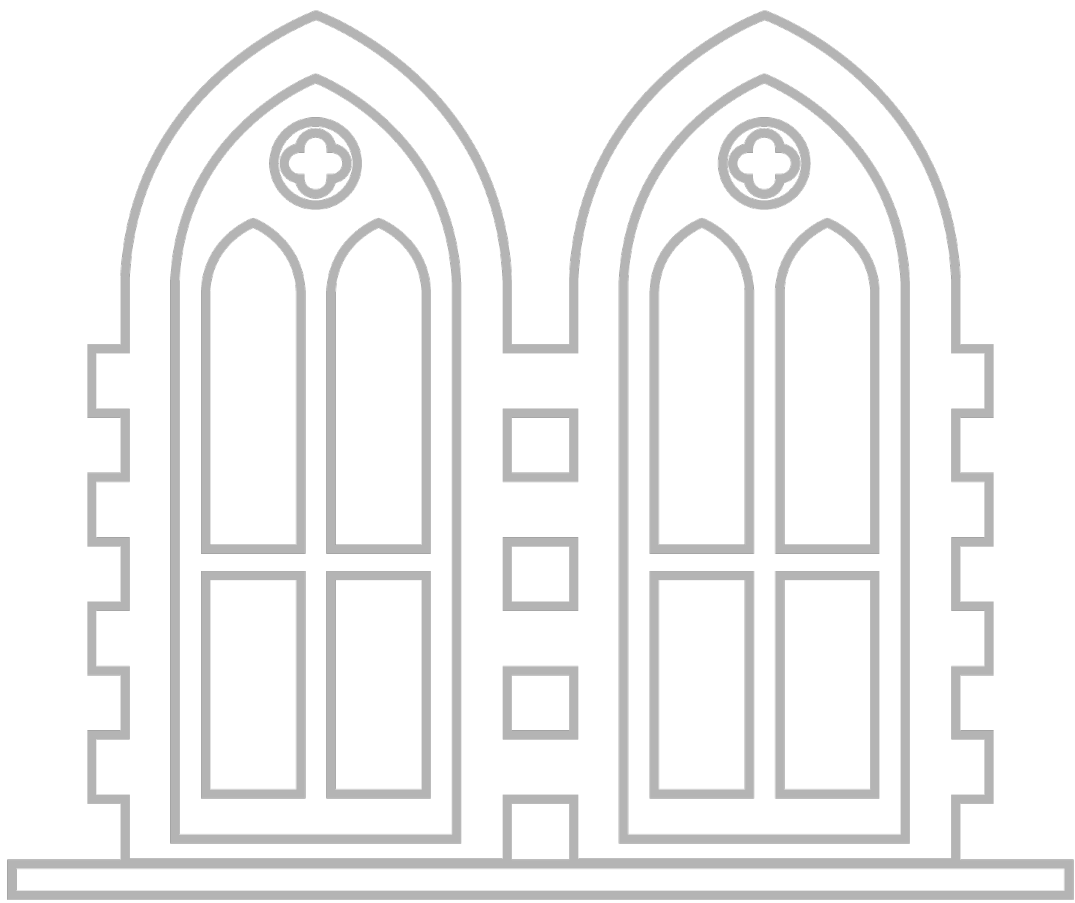
The Federal Government has implemented a new funding model for all independent schools called the Direct Measure of Income (DMI) funding model. The DMI model is based on the capacity of parents to contribute to school fees determined by the median taxable income of each schools' parents and guardians derived from personal income tax data. Like all Queensland's eight grammar schools, Brisbane Grammar School will sustain a material reduction in Australian Government funding in the period 2022 to 2029 under the DMI funding model (source: Independent Schools Queensland).

The School's largest operating cost is employee expenses, which accounts for approximately 70% of cash operating costs and are underpinned by an Enterprise Bargaining Agreement. Other significant expenses include energy, insurance and regulatory compliance costs, and they continue to rise at rates well above inflation.

From year to year, the School's operating surplus or deficit may vary due to debt interest and other expenses, depending on what stage the School is at in its long-term strategic building and curriculum-planning cycle. In 2021, the School borrowed \$40 million from Queensland Treasury Corporation to partially fund the construction of the STEAM Precinct, which will also be funded from cash reserves and future operating cash flow. The STEAM Precinct, and its associated pedagogy, is considered to be an important strategic element in continuing to maintain the School's position as the leader in educational outcomes in Queensland.

Like all independent schools, Brisbane Grammar School is continually investing contributions received from parents over many years in new infrastructure and the maintenance of existing infrastructure. This process is continuous and to some extent inter-generational. All current students enjoy the benefit of the School's existing infrastructure much of which was originally funded by contributions from the parents of past generations of students.

A surplus in the independent school sector is considered good financial practice. It gives parents and the community confidence that these schools are financially viable and responsibly managed.



Section C

Appendices

OPEN DATA

Consultancies

Information on expenditure on consultancies can be viewed online at:
<https://www.brisbanegrammar.com/information/reporting> and
<https://data.qld.gov.au>

Overseas Travel

Information on overseas travel can be viewed online at:
<https://www.brisbanegrammar.com/information/reporting> and
<https://data.qld.gov.au>

GLOSSARY

A&CR	Advancement and Community Relations
AITSL	Australian Institute for Teaching and School Leadership
ATAR	Australian Tertiary Admissions Rank
BGGS	Brisbane Girls Grammar School
BGS	Brisbane Grammar School
Board	The Board of Trustees of the Brisbane Grammar School
CBD	Central Business District
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COVID-19	Coronavirus Disease
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
DMI	Direct Measure of Income
DTP	Digital Transformation Program
ETC	Effective Thinking Cultures
GPS	Great Public Schools' Association of Queensland Inc.
IAs	Internal Assessments
ICT	Information and Communications Technology
ISO	International Organization for Standardization
ISSN	International Standard Serial Number
KPI	Key Performance Indicator
MP	Member of Parliament
NAP	National Assessment Program
NAPLAN	National Assessment Program - Literacy and Numeracy
NMS	National Minimum Standards
PE	Physical Education
QAO	Queensland Audit Office
QCAA	Queensland Curriculum and Assessment Authority
QCT	Queensland College of Teachers
QCWA	Queensland Country Women's Association
QUT	Queensland University of Technology
RBWH	Royal Brisbane Women's Hospital
SLT	Senior Leadership Team
STEAM	Science, Technology, Engineering, Art, Mathematics
TAFE	Technical and Further Education

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	4
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	5 49
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	3
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	3
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	3
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	25-28
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	10, 22-23
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	10-11
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	N/A
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	45-46
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	9-14
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	15-17
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	8
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	N/A
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	N/A
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6	N/A
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	18
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	18
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	18
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	18-20
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	20-21
	<ul style="list-style-type: none"> Information Security attestation 	ARRs – section 14.6	N/A
Governance – human resources	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs – section 15.1	42
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	<i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	N/A

Open Data	<ul style="list-style-type: none"> • Statement advising publication of information 	ARRs – section 16	3,48
	<ul style="list-style-type: none"> • Consultancies 	ARRs – section 33.1	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Overseas travel 	ARRs – section 33.2	https://data.qld.gov.au
	<ul style="list-style-type: none"> • Queensland Language Services Policy 	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	52
	<ul style="list-style-type: none"> • Independent Auditor's Report 	FAA – section 62 FPMS – section 46 ARRs – section 17.2	91-93

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*



FINANCIAL STATEMENTS



BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

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BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 \$'000	2020 \$'000
Income from continuing operations			
Fees	2	51,325	48,164
Grants	3	12,088	14,582
Donations		2,030	1,677
Interest		376	351
Other income	4	3,202	1,024
Total income from continuing operations		69,021	65,798
Expenses from continuing operations			
Employee expenses	5	39,914	38,075
Supplies and services	6	15,610	13,830
Depreciation and amortisation	11	5,890	6,897
Borrowing costs expense		766	50
Other expenses	7	2,501	3,183
Total expenses from continuing operations		64,681	62,035
Operating result for the year		4,340	3,763
Total comprehensive income		4,340	3,763

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

**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 \$'000	2020 \$'000
Current assets			
Cash and cash equivalents	8	59,203	29,642
Trade and other receivables	9	1,648	780
Other financial assets	10	20,787	18,512
Prepayments		1,603	1,609
Total current assets		83,241	50,543
Non-current assets			
Property, plant and equipment (including right-of-use assets)	11	163,128	148,045
Total non-current assets		163,128	148,045
Total assets		246,369	198,588
Current liabilities			
Trade and other payables	12	5,873	3,354
Financial liabilities (including lease liabilities)	13	2,295	776
Accrued employee benefits	14	6,217	5,771
Unearned income	15	5,033	4,882
Total current liabilities		19,418	14,783
Non-current liabilities			
Trade and other payables	12	386	484
Financial liabilities (including lease liabilities)	13	39,173	366
Accrued employee benefits	14	1,036	1,050
Unearned income	15	4,284	4,173
Total non-current liabilities		44,879	6,073
Total liabilities		64,297	20,856
Net assets		182,072	177,732
Equity			
Asset revaluation surplus		84,101	84,101
Accumulated surplus		97,971	93,631
Total equity		182,072	177,732

The Balance Sheet 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 2021**

	Revaluation Surplus \$'000	Accumulated Surplus \$'000	Total \$'000
Balance at 1 January 2020	84,101	89,868	173,969
Operating result	-	3,763	3,763
Total comprehensive income for the year	-	3,763	3,763
Balance at 31 December 2020	84,101	93,631	177,732
Operating result	-	4,340	4,340
Total comprehensive income for the year	-	4,340	4,340
Balance at 31 December 2021	84,101	97,971	182,072

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 2021**

	Note	2021	2020
		\$'000	\$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Fee income		51,632	50,406
Grants and other contributions		12,088	14,582
Donations		2,030	1,677
Other income		917	790
GST input tax credits from Australian Taxation Office		2,876	1,554
GST collected from customers		883	840
Interest		376	351
<i>Outflows:</i>			
Employee expenses		(38,937)	(37,098)
Supplies and services		(14,485)	(11,972)
Other expenses		(2,539)	(3,232)
GST paid to suppliers		(3,787)	(1,786)
GST remitted to Australian Taxation Office		(887)	(828)
Borrowings costs		(47)	(50)
Net cash provided by operating activities		10,120	15,234
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds from sale of property, plant & equipment		-	205
Investments redeemed		-	110
Dividends received		136	-
<i>Outflows:</i>			
Payments for property, plant & equipment		(2,541)	(2,815)
Payments for capital works in progress		(15,909)	(1,920)
Payments for investments		(240)	(1,264)
Net cash (used) in investing activities		(18,554)	(5,684)
Cash flows from financing activities			
<i>Inflows:</i>			
Proceeds from borrowings	1(c)	40,000	-
<i>Outflows:</i>			
Repayment of borrowings		(1,188)	(1,134)
Repayment of leases		(142)	-
Repayment of interest from financing activities		(675)	-
Net cash provided by / (used) in financing activities		37,995	(1,134)
Net increase in cash and cash equivalents		29,561	8,416
Cash and cash equivalents at the beginning of the year		29,642	21,226
Cash and cash equivalents at the end of the year	8	59,203	29,642

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 2021**

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 (including right-of-use assets)
Note 12:	Trade and other payables
Note 13:	Financial liabilities (including lease liabilities)
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Note 16:	Commitments
Note 17:	Capital expenditure commitments
Note 18:	Financial instruments
Note 19:	Contingent assets
Note 20:	Contingent liabilities
Note 21:	Key management personnel and remuneration
Note 22:	Related party transactions
Note 23:	Events subsequent to balance date

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Financial Accountability Act 2009, Financial and Performance Management Standard 2019, 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, the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulations 2013 and other applicable authoritative pronouncements.

The financial statements are general purpose financial statements and cover Board of Trustees of the Brisbane Grammar School (the School) as an individual entity. The 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 at the date of signing of the Certificate of Board of Trustees of the Brisbane Grammar School.

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 2020 financial statements, and has been restated, where appropriate, to be consistent with changes in presentation for the current year.

Current / Non-Current Classification

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 2021 (CONTINUED)

(a) Income from continuing operations

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 over the period to which the service relates.

Revenue from enrolment applications is recognised when received as the single performance obligation is met.

Revenue from confirmation fees is recognised over the period to which the corresponding rendering of tuition services relates.

General purpose recurrent grants are recognised as revenue on receipt.

Revenue from recurrent grants that are sufficiently specific and enforceable are recognised in profit and loss when the School satisfies performance obligations stated in the applicable funding agreements. If conditions are attached to the grant which must be satisfied before the School is eligible to retain the grant funding, the grant will be recognised as a liability until those conditions are satisfied.

Cash grants received to acquire property, plant and equipment are recognised as revenue as the School incurs eligible acquisition costs. The School may receive contributions in the form of physical assets from other parties. These assets are recognised at fair value on the date the School gains control of the asset, with a corresponding amount of revenue recognised in the Statement of Comprehensive Income.

During the prior year, the School was eligible for, and received payments from, the Australian Government in response to the COVID-19 Pandemic. Payments received in this regard were recognised as Grants upon receipt.

Where the fees for services are paid in advance, a liability called Fees in Advance is recognised. This liability is written back and recognised as revenue 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.

If applicable, discounts for fees for tuition and boarding services are recognised at the point of receipt, with no guarantee provided in advance regarding ongoing eligibility for discounts.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(b) Financial Assets and Financial Liabilities

Recognition

Financial assets and financial liabilities are recognised in the Balance Sheet when the School becomes a party to the contractual provisions of the financial instrument.

Classification and Subsequent Measurement

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

Financial assets

(i) Cash and cash equivalents

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.

(ii) 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.

(iii) Other financial assets

The School classifies the following financial assets at fair value through profit or loss (FVPL):

- Equity investments that are held for trading; and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through Fair Value through Other Comprehensive Income (FVOCI).

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in equity instruments that are not held for trading, the approach will depend on whether the School has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

At initial recognition, the School measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The School subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the Statement of Comprehensive Income as applicable.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(b) Financial Assets and Financial Liabilities (continued)

The AASB 13 Fair Value Measurement valuation hierarchy described in Note 1(f) is also used to value Financial Assets at FVPL.

Financial liabilities

(iv) Trade and other payables

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Impairment of Financial Assets

The School applies the AASB 9 Financial Instruments simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on the payment profiles of school fees over a period of five years before 31 December 2021, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The School is not entirely sensitive to macroeconomic conditions such as unemployment rates and interest rates, but defaults occurring mainly as a result of relationship changes (marriage dissolution etc) or business performance issues in the case of small or medium-sized business owners have been found to be the most relevant factors. Accordingly, the School adjusts the historical loss rates based on expected changes in these factors.

On the basis described above, the loss allowance as at 31 December 2021 was determined as follows for trade receivables:

31 December 2021	Current Year Fee Income	1-30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0.1%	12.1%	17.8%	21.3%	25.0%	
Gross carrying amount – trade receivables (\$'000)	50,037	22	7	71	111	
Loss allowance (\$'000)	34	3	1	15	28	81

31 December 2020	Current Year Fee Income	1-30 days past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
Expected loss rate	0.1%	13.5%	19.7%	22.7%	26.2%	
Gross carrying amount – trade receivables (\$'000)	47,077	8	5	150	194	
Loss allowance (\$'000)	33	1	1	34	51	120

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(c) Borrowings

During the year ended 31 December 2021, \$40 million was drawn down under an unsecured, fixed-interest, 20-year new loan facility from Queensland Treasury Corporation to partially finance the construction of a new school precinct.

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of a financial liability to the amortised cost of the liability.

The fair value of borrowings subsequently measured at amortised cost is set out in Note 13.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are split between current and non-current liabilities using the principles set out earlier in this note.

The School does not enter into transactions for speculative purposes, nor for hedging. No financial liabilities are measured at FVPL.

(d) Leases

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

Leases are recognised as a right-of-use asset and a corresponding liability at the date of which the leased asset is available for use by the School. The lease liability arising from the lease are measured on a present value basis discounted using the incremental borrowing rate. The incremental borrowing rates used of 2.41%-2.53% relates to the fixed rate loan rate published by Queensland Treasury Corporation that corresponded to the lease commencement date and term. Right-of-use assets are measured at their carrying amounts, calculated from the respective leases original commencement date.

Right-of-use assets are initially recognised at cost comprising the following:

- The amount of the initial measurement of the lease liability
- Lease payments made at or before the commencement date, less any lease incentives received
- Initial direct costs incurred, and
- The initial estimate of restoration costs.

Right-of-use assets are subsequently depreciated over the lease term and be subject to impairment testing on an annual basis.

The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates of a change in lease term.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(d) Leases (continued)

The School measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition.

The School has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$5,000 when new.

Where a contract contains both a lease and non-lease components such as asset maintenance services, the School allocates the contractual payments to each component on the basis of their stand-alone prices. However, for leases of plant and equipment, the School has elected not to separate lease and non-lease components and instead accounts for them as a single lease component.

Annual lease payments and any amounts expended on maintenance of leases that qualify as peppercorn leases is expensed through the Statement of Comprehensive Income.

(e) Provisions for Claims

The School recognises liabilities for any common law claims or applications to the National Redress Scheme where it is assessed that there is a present obligation for any associated settlement that is considered to be both probable and able to be reliably measured.

(f) Property, Plant and Equipment and Depreciation Expense

Asset Acquisition

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, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition, in accordance with AASB 116 Property, Plant and Equipment.

Recognition of Property, Plant and Equipment

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

Land	\$1
Plant and equipment	\$5,000
Heritage and cultural assets	\$5,000
Buildings and improvements (including right-of-use assets)	\$10,000

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(f) Property, Plant and Equipment and Depreciation Expense (continued)

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

Items with a lesser value are expensed in the year of acquisition. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset.

Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

Measurement of Non-Current Physical Assets using Cost

Plant and equipment is measured at cost in accordance with the Non-Current Asset Policies. The carrying amounts for plant and equipment at cost are considered to approximate their fair value.

Capital work in progress is only recognised to the extent when it is probable that economic benefits associated with the item will flow to the School in future periods and the cost of the item can be measured reliably. Capital work in progress as at 31 December 2021 primarily relates to the development and construction of a new integrated science and design precinct in the School, with costs principally including consulting, design, and construction. Physical construction of the project commenced in the year ended 31 December 2021. Depreciation of capital work in progress will commence when the related assets are ready for their intended use.

Measurement of Non-Current Physical Assets using Fair Value

Land and buildings are measured at fair value in accordance with AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement and Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and accumulated impairment losses where applicable.

Revaluation of Non-Current Physical Assets

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 (previously done as at 31 December 2019).

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up-to-date through the application of relevant indices. The School ensures that the application of such indices result in a valid estimation of the assets' fair values at reporting date. JLL Public Sector Valuations Pty Ltd (JLL) supplies the indices used for the various types of assets.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(f) Property, Plant and Equipment and Depreciation Expense (continued)

Such indices are either publicly available, or are derived from market information available to JLL. JLL provides assurance of their robustness, validity and appropriateness for application to the relevant assets. Indices used are also tested for reasonableness by applying the indices to a sample of assets, comparing the results to similar assets that have been valued by an independent professional valuer or internal expert, and analysing the trend of changes in values over time. Through this process, which is undertaken annually, management assesses and confirms the relevance and suitability of indices provided by JLL, based on the School's own particular circumstances.

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 classes. 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 classes.

Any revaluation increment arising on the revaluation of an asset class 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. current 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 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 is generally referred to as the 'net method'.

The cost of land and buildings acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

To provide an indication of the observability of the inputs used to determine the fair value of non-current physical assets, the School has classified the assets into the three levels prescribed under AASB 13 Fair Value Measurement.

Level 1: The fair value of assets traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for assets held by the School is the current bid price. These assets are included in level 1.

Level 2: The fair value of assets that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the asset is included in level 3.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(f) Property, Plant and Equipment and Depreciation Expense (continued)

Impairment

All material non-current physical and intangible assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed.

Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 Fair Value Measurement. If an indicator of possible impairment exists, the School determines the asset's recoverable amount under AASB 136 Impairment of Assets. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use, subject to the following:

- As a not-for-profit entity, certain property, plant and equipment of the School is held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets are measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. Consequently, AASB 136 does not apply to such assets unless they are measured at cost.
- For other non-specialised property, plant and equipment measured at fair value, where indicators of impairment exist, the only difference between the asset's fair value and its fair value less costs of disposal is the incremental costs attributable to the disposal of the asset. Consequently, the fair value of the asset determined under AASB 13 will materially approximate its recoverable amount where the disposal costs attributable to the asset are negligible. After the revaluation requirements of AASB 13 are first applied to these assets, applicable disposal costs are assessed and, in the circumstances where such costs are not negligible, adjustments to the recoverable amount are made in accordance with AASB 136.

For all other remaining assets (including intangible assets) measured at cost, recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use. Value in use is equal to the present value of the future cash flows expected to be derived from the asset, including the estimated net disposal proceeds.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(f) Property, Plant and Equipment and Depreciation Expense (continued)

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.

Depreciation

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

Buildings and improvements and plant and equipment are depreciated on a straight-line basis to allocate the revalued amount or net cost of each asset (respectively), less its estimated residual value, progressively over its estimated useful life to the School.

The estimation of the useful lives of assets is based on historical experience with similar assets, as well as considerations such as manufacturers' warranties, asset turnover practices and the School's strategic asset plan. Reassessments of useful lives are undertaken annually by the School. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

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

Where buildings are planned for demolition, the remaining service potential of such assets to the School is considered when assessing their remaining useful lives for the purposes of determining any prospective depreciation.

Depreciation and Amortisation Ranges

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%
Buildings and Improvements (excluding Right-of-use Assets)	0.99%-9%
Right-of-use Assets	42%
Leased Assets	25%-33.3%

Land Ownership

The School's campus land at Spring Hill and Normanby, with a total value of \$24,080,000 (2020: \$24,080,000), 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 School and the land is administered by the School. The independent valuation of these assets has particular 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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

(g) Employee Benefits

Wages, salaries, annual leave and long service leave due but unpaid at reporting date are recognised in the Balance Sheet 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.

(h) Borrowing Costs

During the 2021 financial period, \$40 million was drawn down under an unsecured, fixed interest, 20-year new loan facility from Queensland Treasury Corporation to partially finance the construction of a new school precinct (STEAM Precinct).

In accordance with AASB 123 Borrowing Costs, the School has opted not to capitalise any borrowing costs that are directly attributable to bringing the STEAM Precinct into operating condition, even though it is considered a Qualifying Asset for the purposes of AASB 123.

All borrowings are denominated in Australian dollars.

(i) 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 Balance Sheet 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 2021 (CONTINUED)

(j) 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.

(k) Key Estimates and Judgements

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

- Valuation of Financial assets – Note 1(b) and Note 10;
- Valuation of Property, Plant and Equipment – Note 1(f) and Note 11;
- Depreciation and Amortisation – Note 1(f) and Note 11;
- Contingent assets – Note 19; and
- Contingent liabilities – Note 20.

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 indicated above for more information.

In considering the movement in value of land and buildings, regard has been given to the overall demand for land suitable for educational and recreational purposes, as appropriate.

To assist in managing estimation uncertainty, an independent qualified valuer is engaged and required to provide a declaration that the valuation has been conducted in accordance with and considered the Australian Accounting Standards, including AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment, as well as the Non-Current Asset Policies for the Queensland Public Sector as published by Queensland Treasury and Trade. In developing the indexation rates, key consideration is given to the following:

- Macro-economic indicators - Key economic data and market conditions; and
- Asset price indicators - Construction statistics, commentary and databases published by the Australian Bureau of Statistics, and market research undertaken by the independent party.

The report is also prepared at arm's length with a two-factor review conducted by two accredited valuers to support accuracy of conclusions made.

(l) 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 receipt, at which time, an asset is taken up in the Balance Sheet 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 2021 (CONTINUED)

(m) New and Revised Accounting Standards

There are currently no proposed new and revised Accounting Standards that will materially impact the future financial statements of the School.

(n) COVID-19 Pandemic

During the year ended 31 December 2020, the World Health Organisation declared an international pandemic in relation to the spread of the Novel Coronavirus known as COVID-19 (Pandemic). The Australian, State and Territorial Governments mandated a number of measures to curtail the domestic spread of the Pandemic which included the closure of certain State and Territorial borders, the temporary closure of businesses, and significant restrictions on the movement of persons in the country. These measures contributed to a number of significant adverse economic impacts, including causing the Australian economy to experience two successive quarters of economic decline (recession). During the year ended December 2021, the School was directly impacted by various Government directives, the more significant of which caused its staff, students and affected community to quarantine for two weeks. At the reporting date, it is not expected that any ongoing impacts from the Pandemic will adversely affect the School's ability to continue to operate as a going concern. The School will continue to abide by any directives issued by Government in relation to operating during the Pandemic.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
2. Fees		
Tuition fees	48,512	45,621
Boarding fees	1,525	1,456
Confirmation fees	846	766
Enrolment fees	442	321
Total fees ¹	51,325	48,164

¹ All fees are recognised over time in line with the corresponding provision of tuition services with the exception of enrolment fees which are recognised at a point in time.

3. Grants		
Recurrent grants (general purpose)		
Commonwealth government grants	7,921	7,619
State government grants	4,120	3,789
Other grants	47	3,174
Total grants	12,088	14,582

4. Other income		
Investment income ¹	2,113	227
Other income	361	129
Facility hire	274	300
Fundraising events	200	25
Property income	186	184
Proceeds from insurance claims	49	2
Gain on financial assets at fair value through profit or loss	19	109
Gain on disposal of property, plant and equipment	-	48
Total other income	3,202	1,024

¹ Increases from 2020 to 2021 are primarily related to increased investment returns from QIC, when compared to 2020 where average returns were substantially impacted by COVID-19 adverse economic conditions.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	2021	2020
	\$'000	\$'000
5. Employee expenses		
Employee benefits		
Salaries and wages	33,599	32,239
Employer superannuation contributions	3,945	3,690
Annual leave	1,006	945
Long service leave	907	770
Employee related expenses		
Workers' compensation premium	412	382
Other employee related expenses	45	49
Total employee expenses	39,914	38,075

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

	No.	No.
Number of employees	299	295
	\$'000	\$'000
6. Supplies and services		
Tuition co-curricular expenses	5,947	4,641
Repairs and maintenance	2,572	3,001
Minor plant and equipment	1,810	1,869
Contractors	1,280	905
Administration expenses	1,203	716
Utilities	851	1,031
Professional fees:		
Royal Commission related	634	198
Other professional fees	600	857
Other supplies and services	535	454
Motor vehicle expenses	178	158
Total supplies and services	15,610	13,830

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
7. Other expenses		
Insurance	1,201	1,072
Bank charges	458	386
Fringe benefits tax	357	321
Lease and rentals	291	18
Audit fees ²	64	49
Doubtful debts expense	61	64
Other expenses	48	45
Litigation settlement expenses ¹	13	1,228
Loss on disposal of property, plant and equipment	8	-
Total other expenses	2,501	3,183

¹ Settlement of claims by past students:

During the year ended 31 December 2021, the School made payments in settlement of claims made by past students amounting to \$13K (2020: \$1,228K), net of insurance recoveries. Expenditure in relation to settlements is only recognised when it can be measured reliably.

² Amount quoted for external audit fee is \$38,300 (2020: \$38,300). The remainder of the balance represents fees for outsourced internal audit services.

8. Cash and cash equivalents

Cash at bank and on deposit ¹	57,240	29,341
Library fund ²	112	125
Bursary fund ²	903	111
Accountable advances	38	42
Restricted reserve	16	13
Building fund ²	894	10
Total cash and cash equivalents	59,203	29,642

¹ Cash at bank and on deposit includes \$40 million loan proceeds for construction of the STEAM Precinct (refer also Notes 1(c) and 13).

² 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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	2021	2020
	\$'000	\$'000
9. Trade and other receivables		
Current		
Tuition and boarding fees outstanding	212	344
Sundry receivables	63	13
Allowance for impairment losses	(81)	(120)
	194	237
 GST input tax credits receivable ¹	 1,381	 471
GST payable	(12)	(17)
	1,369	454
 Accrued revenue	 85	 89
Total trade and other receivables	1,648	780

Movements in the allowance for impairment loss for trade and other debtors

Balance at 1 January	120	84
Amounts written off	(11)	-
Amounts collected	(89)	(28)
Additional provision raised	61	64
Balance at 31 December	81	120

¹ Increases from 2020 to 2021 primarily related to GST credits derived from increased outflows related to the STEAM Precinct development.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
10. Other financial assets		
Queensland Investment Corporation (QIC) Investment Fund and Australian listed and unlisted equity securities - at fair value:		
Bursary fund ¹	18,225	16,155
Library fund ²	815	730
Building fund ³	1,747	1,627
Total other financial assets	20,787	18,512

Changes in fair values of other financial assets are recorded in profit or loss. QIC investments represent holdings in unlisted managed investment schemes. These investments are recorded at fair value, being the redemption value per unit as reported by QIC. QIC investments are reviewed by the School throughout the year and can be redeemed on an at-call basis.

Where there is an active market, the fair value is the readily and regularly available price available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Australian listed equity securities are valued at their quoted market price at 31 December, and may be liquidated at the discretion of the Trustees in accordance with the Brisbane Grammar School Rules for Deductible Gift Recipient Funds.

For unlisted equity securities, independent valuations are sourced where possible. The School holds two unquoted equity instruments that are not traded in an active market. In one case, a merger during 2021 assisted in forming the basis for the valuation adopted as at 31 December 2021, supported by an independent valuation. In the second case, an adjusted net asset method was used based on analysis of liquid cash holdings and discounted cash flow as at 31 December 2021.

¹ *The Bursary fund* is 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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
11. Property, plant and equipment (including right-of-use assets)		
Land - at fair value	50,611	50,611
	50,611	50,611
Buildings and improvements - at fair value ¹	164,240	172,373
less accumulated depreciation	(74,867)	(78,849)
	89,373	93,524
Plant and equipment - at cost	5,483	5,528
less accumulated depreciation	(3,880)	(4,093)
	1,603	1,435
Right-of-use assets (Buildings) - at cost	1,747	-
less accumulated depreciation	(749)	-
	998	-
Heritage and cultural assets - at cost	766	748
less accumulated depreciation	(221)	(206)
	545	542
Capital work in progress - at cost	19,998	1,933
Total property, plant and equipment (including right-of-use assets)	163,128	148,045

As at 31 December 2021, JLL Public Sector Valuations Pty Ltd (JLL) provided valuation indices for the period 31 December 2019 to 31 December 2021, to provide an indication of the fair value of Land and Buildings. 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 and improvements. Based on this information, the School determined that the carrying value of land and buildings and improvements at 31 December 2021 approximated their fair value. As such, no change in the carrying value was recognised at that time.

The School's independent valuer's assessment of indices and fair value movement within the current market noted significant estimation uncertainty in determining key inputs into the fair value of the School's fixed assets. The independent valuer reported on the basis of a material valuation uncertainty mainly due to the impact the COVID-19 outbreak has had on the real estate market, and the uncertainty caused by the outbreak.

Material valuation uncertainty clauses included within the independent valuation were consistent with the guidelines issued by the Australian Property Institute and highlight that while valuations can still be relied upon at 31 December 2021, a higher degree of caution should be attached to the valuation due to the impacts of the COVID-19 pandemic. There is a potential for significant and unexpected movements in value over a relatively short period of time post the valuation being completed.

The School's Spring Hill campus is a combination of Level 2 and Level 3 assets as defined in Note 1(f). There is no property, plant and equipment classified as Level 1. All other property, plant and equipment is classified as Level 2.

¹ 2021 balances for Buildings and improvements are lower than 2020 values primarily due to accelerated depreciation and write offs of buildings that were demolished in connection with the new STEAM Precinct construction.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

		2021	2020
		\$'000	\$'000
11. Property, plant and equipment (including right-of-use assets) (continued)			
Leases			
Included in the carrying amount of buildings are right-of-use assets as follows:			
Right-of-use assets - Buildings			
Right-of-use assets 1 January 2021		-	-
Additions		1,747	-
Depreciation		(749)	-
Total right-of-use assets - Buildings		998	-
Lease Liabilities			
Current	13	223	-
Non-current	13	-	-
Total Lease Liabilities		223	-
Amounts recognised in the Statement of Comprehensive Income			
Interest expense on lease liabilities (included in Borrowing costs expenses)		11	-
Expenses relating to leases of low-value assets and short-term leases (included in Other expenses)		138	-
Total cash outflow for leases		280	-

Key details relevant to the nature of the School's leasing activities are as follows:

- Leases recognised above relate to enabling works required to facilitate the STEAM Precinct construction, such as temporary classrooms, the temporary maintenance shed and other minor enabling works.
- The current leases relating to these items expires on December 31 2022 with an option to extend.
- The amount recognised in the Statement of Comprehensive Income as interest expense on lease liabilities is \$10,716 (2020: nil).
- Where the School has the right to use land or buildings at below market value, the School has elected to measure the asset arising from the concessionary lease at cost, which is based on the associated lease liability.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

11. Property, plant and equipment - movement reconciliation

2021

Description	31 December 2020 \$'000	Additions \$'000	Disposals \$'000	Transfer \$'000	Depreciation \$'000	31 December 2021 \$'000
Land	50,611	-	-	-	-	50,611
Buildings and improvements	93,524	498	-	-	(4,649)	89,373
Plant and equipment	1,435	648	(8)	5	(477)	1,603
Right-of-use assets (Buildings)	-	1,747	-	-	(749)	998
Heritage and cultural assets	542	14	-	4	(15)	545
Capital work in progress ¹	1,933	18,074	-	(9)	-	19,998
Total	148,045	20,981	(8)	-	(5,890)	163,128

¹ Additions relate primarily to progress payments attributable to the STEAM Precinct construction.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
12. Trade and other payables		
Current		
Trade and other payables	4,422	2,413
Other accrued employee benefits	1,451	941
Total current trade and other payables	5,873	3,354
Non-current		
Trade and other payables	386	484
Total non-current trade and other payables	386	484
Total trade and other payables	6,259	3,838

The increase in Trade and other payables is due to non-cyclical expenditure incurred in December 2021 for the STEAM Precinct construction project accrued in 2021 and subsequently paid in January 2022. Future capital expenditure commitments relating to the STEAM Precinct project are elaborated in Note 17.

13. Financial liabilities (including lease liabilities)

Current		
Chattel mortgage - secured ¹	822	776
Lease liability - secured 11	223	-
Queensland Treasury Corporation loans - unsecured ²	1,250	-
Total current financial liabilities (including lease liabilities)	2,295	776
Non-current		
Chattel mortgage - secured ¹	423	366
Lease liability - secured 11	-	-
Queensland Treasury Corporation loans - unsecured ²	38,750	-
Total non-current financial liabilities (including lease liabilities)	39,173	366
Total financial liabilities (including lease liabilities)	41,468	1,142

¹ Chattel mortgage and lease liabilities are secured over the assets to which they relate. Refer to Note 16 for further information regarding chattel mortgage commitments.

² Queensland Treasury Corporation loans are unsecured, fixed-interest, with a term of 20 years.

The School has not defaulted on or breached any loan agreement during the period.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	2021	2020
	\$'000	\$'000
14. Accrued employee benefits		
Current		
Annual leave	1,321	1,189
Long service leave	4,896	4,582
Total current accrued employee benefits	6,217	5,771
Non-current		
Long service leave	1,036	1,050
Total non-current accrued employee benefits	1,036	1,050
Total accrued employee benefits	7,253	6,821
15. Unearned income		
Current		
Fees in advance	4,352	4,256
Confirmation fees	681	626
Total current unearned income	5,033	4,882
Non-current		
Fees in advance	572	659
Confirmation fees	3,712	3,514
Total non-current unearned income	4,284	4,173
Total unearned income	9,317	9,055

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

	2021 \$'000	2020 \$'000
16. Commitments		
Chattel mortgages		
Liabilities recognised in the Balance Sheet		
Current	822	776
Non-current	423	366
Total	1,245	1,142
Minimum payments due under chattel mortgages at reporting date are payable as follows:		
- Not later than one year	822	796
- Later than one year but not later than five years	423	371
Total	1,245	1,167
The chattel mortgages are for equipment purchases and are on terms of 34 months. The individual assets financed by chattel mortgage are below the School's capitalisation threshold.		
17. Capital expenditure commitments		
Property plant and equipment		
- Not later than one year	50,961	2,152
- Later than one year but not later than five years	4,317	-
Total capital expenditure commitments	55,278	2,152

For 2021, the above capital expenditure commitments primarily relates to the STEAM Precinct construction project.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

		2021	2020
		\$'000	\$'000
18. Financial instruments			
Financial assets			
Financial assets at amortised cost:			
Cash and cash equivalents	8	59,203	29,642
Trade and other receivables	9	1,648	780
Financial assets at fair value through profit or loss	10	20,787	18,512
Total financial assets		81,638	48,934
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	12	6,259	3,838
Borrowings	13	41,468	1,142
Total financial liabilities		47,727	4,980

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

19. Contingent assets

The School has no known contingent assets at balance date.

20. Contingent liabilities

a) Legal Claims

Since 2002, in conjunction with its insurers, the School has been addressing claims by former students with respect to claims for sexual abuse that occurred at the School during the 1970s and the 1980s. To address these issues, the School established and maintains a structured mediation 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. The total cost to the School of those claims settled in 2021 or in the process of being settled as at 31 December 2021 are noted at Note 7.

Queensland legislation passed in early 2017 allows claimants, who previously settled their claim, to apply to the courts for an order that the previous settlement be set aside, if the court determines it is fair and reasonable to do so in the circumstances of the particular case. One such application had been heard by the Supreme Court in October 2018, and that application was dismissed in June 2019. The claimant subsequently appealed that decision to the Court of Appeal which has now dismissed the appeal. The claimant then sought leave to appeal to the High Court but his application was dismissed by three High Court Judges on 20 May 2021. At the reporting date there are no current applications to set aside previous settlements.

On 23 April 2020, the School's application to participate in the National Redress Scheme was accepted. Subsequently, the School has received notice of 18 applications to the National Redress Scheme for redress. At the reporting date, 13 of those applications have been determined. The School is waiting for the National Redress Scheme to assess and make a determination in respect of five of those applications.

Included in contingent liabilities is a public claim for damages by a former student in relation to historical sexual abuse. A claim was commenced under the pre-proceedings processes of the relevant legislation. Those processes were largely concluded at an unsuccessful mediation on 25 February 2021. Since that date, as far as the School is aware, no further steps have been taken by the claimant to progress the matter. The next step would be for the claimant to commence court proceedings, which has not occurred at the date of this report.

It is possible that the School may receive future claims from other former students in relation to historical sexual abuse. At the date of this report, no liability is recognised for any such future claims as it is not possible to accurately quantify the timing or amount of any future liabilities that may arise in respect of any such potential future common law claims or future applications to the National Redress Scheme. Further, it is not possible to accurately quantify the level of insurance contribution that may be available to the School in respect of any such future liabilities.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

20. Contingent liabilities (continued)

b) Commonwealth and State Capital Grants

Pursuant to the conditions attached to Commonwealth and State Government capital grants, the School is contingently liable to repay, based on a formula, all or part of such grants if the project to which the funds were applied ceases to be used for the purpose approved, or is sold or otherwise disposed of within 20 years of the completion of the project, or useable life of equipment, whichever is the shorter. Historical conditional capital grants and their amortised value not recognised in the financial statements as at 31 December 2021 include: State Capital Assistance Scheme Grant \$120,000 (2020: \$140,000); Multi-purpose Centre Grant \$1,800,000 (2020: \$2,000,000); and Flying Start Conversion Grant \$455,000 (2020: \$490,000). The likelihood of repayment to the grant funding authority is remote.

c) Airspace

Pursuant to the lease of airspace over land adjoining the School, the School has issued a \$12,000 guarantee to the Department of Resources.

The School has no other known contingent liabilities at balance date.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

21. 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 ('Act'). 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 2021.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position
Elected Trustee	To supervise, maintain and control the conduct of the School. To make rules with regards to the management and control of the School.	Elected position through roll of electors and appointed by the Governor in Council	17 May 2018 <i>(Originally Ministerial Trustee effective 17 May 2018, and then Elected 27 Aug 2020)</i>
Elected Trustee			27 Aug 2020
Elected Trustee			27 Aug 2020
Ministerial Trustee		Appointed by the Governor in Council	15 Dec 2011
Ministerial Trustee			17 Apr 2018
Ministerial Trustee			17 May 2018
Ministerial Trustee			27 Aug 2020
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 extended to: 31 December 2025	1 January 2014

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

21. Key management personnel and remuneration (continued)

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position
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 extended to: 31 December 2026	13 March 2017
Deputy Headmaster (Four positions)		Five-year contracts extended to: 31 December 2022 31 December 2023 31 December 2023 31 December 2023	17 July 2006 1 January 2019 1 January 2014 25 May 2009
Head of Middle School		Two-year contract extended to: 31 December 2023	1 January 2018
Executive Director Educational Innovation		Three-year contact extended to: 31 December 2023	1 January 2018
Executive Director Advancement & Community Relations		Three-year contract	1 January 2020

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 2021 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:-

- Short term employee benefits, which include: Base remuneration, consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
- Non-monetary benefits, which include provision of motor vehicles and 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 full-time 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.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

21. Key management personnel and remuneration (continued)

- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- No remuneration packages provide for performance payments.

Position	Short Term Benefits		Long Term Benefits ³	Post Employment Benefits	Total Remuneration
	Base	Non-Monetary Benefits			
2021	\$'000	\$'000	\$'000	\$'000	\$'000
Headmaster	497	30	25	23	575
CFO & Secretary to the Board of Trustees	263	2	21	25	311
Deputy Headmaster - People & Culture	197	47	7	27	278
Deputy Headmaster - Cocurricular	196	21	9	27	253
Deputy Headmaster - Head of Senior School ¹	221	36	16	26	299
Deputy Headmaster - Teaching & Learning	196	32	8	27	263
Head of Middle School ²	202	9	14	20	245
Executive Director Educational Innovation	197	18	9	27	251
Executive Director Advancement & Community Relations	210	5	7	20	242

¹ In 2021, the Deputy Headmaster – Students was appointed second in charge to the Headmaster. The job title for that role was changed to Deputy Headmaster – Head of Senior School.

² In 2021, the previous Acting Head of Middle School was made permanent in that role.

³ Long Term Benefits include the net change in accrued Long Service Leave entitlements charged to profit or loss during the year. Such entitlements are based on actuarial calculations that include assumptions of probability factors and discounted net present value. A reassessment of the probability factors during 2021 resulted in a one-off, non-cash, increase in reported Long Term Benefits. The underlying contractual entitlements for Long Service Leave did not change.

Position	Short Term Benefits		Long Term Benefits	Post Employment Benefits	Total Remuneration
	Base	Non-Monetary Benefits			
2020	\$'000	\$'000	\$'000	\$'000	\$'000
Headmaster	483	17	17	22	539
Secretary to the Board of Trustees	260	1	8	23	292
Deputy Headmaster – Staff	194	47	6	23	270
Deputy Headmaster – Co-curricular	194	19	6	23	242
Deputy Headmaster – Students	203	23	10	23	259
Deputy Headmaster – Teaching & Learning	193	35	6	24	258
Acting Head of Middle School ¹	201	0	13	13	227
Executive Director Educational Innovation ¹	193	17	6	24	240
Executive Director Advancement & Community Relations	187	2	5	28	222

¹ During the year ended 31 December 2020, The Head of Middle School was seconded into the project role of Executive Director Educational Innovation, and an 'Acting Head of Middle School' was concurrently appointed.

BOARD OF TRUSTEES OF THE BRISBANE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

22. Related party transactions

Transactions with people/entities related to key management personnel

During the year, various key management personnel provided philanthropic support to 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 and child of one of the employed members of the key management personnel team were also employed by the School for remuneration of \$42,894 (2020: \$50,543), including superannuation. During the year, the children of two other employed members of the key management personnel team were also engaged by the School for remuneration of \$25,459 (2020: \$21,726), including superannuation. These employment arrangements were on terms and conditions consistent with other employees at the School.

23. 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 Section 62(1) of the *Financial Accountability Act 2009*, Section 39 of the *Financial and Performance Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2013* and other prescribed requirements.
- b) In accordance with Section 62(1)(b) of the *Financial Accountability Act 2009*, we certify that, in our opinion:
 - i) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
 - ii) The statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Board of Trustees of the Brisbane Grammar School for the year 1 January 2021 to 31 December 2021 and of the financial position of the School at the end of year.
- c) We acknowledge responsibility under Section 7 and 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.
- d) In accordance with Section 60.15 of the *Australian Charities and Not-for-profits Commission 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; and
 - ii) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act*.

10 February 2022



Date

J S HUMPHREY
LLB (UQ)
Chair of the Board of Trustees

M J CORGAT
CA. MBA (GU). B.Com. (UQ)
Chief Financial Officer
and 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 (the Board).

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 31 December 2021, 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 2019, 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 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

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

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

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 2019, 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. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- 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.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 31 December 2021:

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



Carolyn Dougherty
as delegate of the Auditor-General

17 February 2022
Queensland Audit Office
Brisbane