



IPSWICH GRAMMAR SCHOOL

ANNUAL REPORT

2014



LETTER OF COMPLIANCE



IPSWICH GRAMMAR SCHOOL

- Locked Bag 6000, North Ipswich QLD 4305 - www.ipswichgrammar.com - (07) 3813 9600 - CRICOS # 00499A -

9 March 2015

The Honourable Kate Jones MP
Minister for Department of Education
PO Box 15033
CITY EAST QLD 4002

Dear Minister,

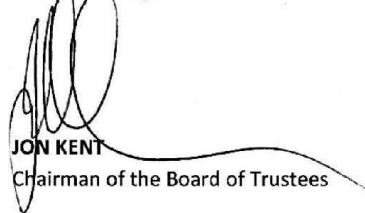
I am pleased to present the Annual Report 2014 and Financial Statements for Ipswich Grammar School.

I certify that this Annual Report complies with:

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

A checklist outlining the School's compliance with the Department of the Premier and Cabinet annual reporting requirements can be accessed at <http://www.ipswichgrammar.com/web/aboutigs/reporting/>

Yours sincerely,



JON KENT
Chairman of the Board of Trustees

- Excellence - Leadership - Integrity - Community -

ACCESSIBILITY

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GLOSSARY

ACARA	The Australian Curriculum Assessment and Reporting Authority
ACT	The Grammar Schools Act 1975
ARR	Annual Report Requirements for Queensland Government Agencies
BASC	Before and After School Care
BYOT	Bring Your Own Technology
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
DETE	Department for Education, Training and Employment
DGR	Deductible Gift Recipient
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
EOWA	Equal Opportunity for Women Association
FAA	Financial Accountability Act 2009
FTE	Full Time Equivalent
FRR's	Financial Reporting Requirements
FMF	Queensland Government Financial Management Framework
FPMS	Financial and Performance Management Standard 2009
GPA	Grade Point Average
ICT	Information and Communication Technology
ISQ	Independent Schools Queensland
ISSN	International Standard Serial Number
KPI	Key Performance Indicators
OP	Overall Position
PCBU	Person in Charge of a Business or Undertaking
PI	Pastoral Indicators
QAO	Queensland Audit Office
QCST	Queensland Core Skills Test
QCT	Queensland College of Teachers
QSA	Queensland Studies Authority
QTC	Queensland Treasury Corporation
TASS	The Alpha School System

PUBLIC AVAILABILITY

This Annual Report can be located at <http://www.ipswichgrammar.com/web/aboutigs/reporting/>

Copies of the Annual Report are also available in paper form and can be obtained from the Business Manager, Ms Vilma Gallinaro.

The contact details of the Secretary to the Board of Trustees is Ms Vilma Gallinaro at:

Telephone: (07) 3813 9620

Facsimile: (07) 3280 1311

Email: vgallinaro@ipswichgrammar.com

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INTERPRETER SERVICES

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



COPYRIGHT NOTICE

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GENERAL INFORMATION

INTRODUCTORY INFORMATION

Ipswich Grammar School is a statutory body established in 1863 under the Grammar Schools Act 1860 and is now constituted under the Grammar Schools Act 1975. Under the Statutory Bodies Financial Arrangements Act 1982, Ipswich Grammar School is subject to an annual audit by the Queensland Audit Office.

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

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

Telephone: (07) 3813 9600

Facsimile: (07) 3280 1311

Email: info@ipswichgrammar.com

Website: www.ipswichgrammar.com

CRICOS: 0004998

Ipswich Grammar School operates exclusively in the education sector and is non-denominational Prep to Year 12 boy's school that offers boarding for students in years 6 to 12.

The School draws day students from a wide area from Ipswich and the Western Suburbs of Brisbane with just over 90% of students residing within 30 kilometres of the School. This is a large catchment area and accordingly, the School offers subsidised bus service to transport the students to the School.

Furthermore, the School operates in a low socio economic area with a large number of lower fee religious based schools in competition. It therefore offers Bursaries and Scholarships to assist families and retain enrolments.

AGENCY ROLE AND MAIN FUNCTIONS

Ipswich Grammar School's role and main functions are articulated through its strategic goals which are linked to the fundamental values of the School. The values for each year will remain constant but the goals will vary from year to year.

The essence of Ipswich Grammar School is that it is 'The Centre for Specialisation in Educating Boys/Fine Young Men' and this is further emphasised in the School's Vision, Motto and Mission, as follows:

The Vision

Ipswich Grammar School strives for excellence to lead in the field of educating young men for the future.

School Motto

"Labore et Honore" – Work and Honour

Mission Statement

Ipswich Grammar School strives for excellence to lead in the field of educating young men for the world of tomorrow. The School will plan, develop and maintain first-class facilities and resources. It will manage its affairs to continue to be an outstanding educational establishment and it will meet the needs of all with an interest or involvements in its operation.

OPERATING ENVIRONMENT

The School's Vision and Mission are expressed through a number of strategic goals that form the basis of the governance operations. The goals are linked to Ipswich Grammar School's four distinctive values being:

Excellence

Ipswich Grammar School strives to promote an environment in which every individual has the opportunity and right to achieve their very best across all dimensions of their schooling.

A mechanism has been developed that enables good 'tracking' of student academic and pastoral performance. The End of Semester and End of Year reports have been supplemented with a Grade Point Average (GPA). Capitalising on our enhanced website and ICT capacities, the School has also established a set of Pastoral Indicators (PI) which represent the outcomes of four key areas being Behaviour, Work Ethic, Organisation and Grooming. This newly developed system will evolve further in 2015 with a focus on analysing past and current trends associated with data being collected.

Leadership

Ipswich Grammar School recognises that every individual has the potential to perform actions to inspire others.

A professional learning program designed to enhance teaching and learning practices is being established and finalised. In 2014 Ipswich Grammar School undertook a self-directed school improvement process that focused on student learning and teacher practice. Central to this improvement process was the implementation of a whole of school pedagogical framework: Robert Marzano's "The Art and Science of Teaching". This framework focuses on four domains: Classroom strategies and behaviours, planning and preparing, reflecting on teaching, and collegiality and professionalism. The first area of work for teachers was the implementation of Learning Goals and further teacher development on "The Art and Science of Teaching" will continue to roll out in 2015.

Community

Ipswich Grammar School is proud of its history and traditions and acknowledges that it has a social responsibility to families and the wider community.

The School's challenge for 2014 was to carefully examine the cost structures of operations and commence the strategic planning for ensuring that the specialised boy's education the School offers is affordable to the whole community.

Since its inception in 1863, Ipswich Grammar School has been more than just an educator of boys; it has been an integral part of the local community and a growing and developing community within itself.

Integrity

Ipswich Grammar School promotes the importance of honesty and morality in our young men.

Ipswich Grammar School will continue to develop and provide guidance and relevant pastoral programs to enhance the development of our students. The Real Man Program, Father and Son Evenings and Lifeskills Programs all promote the ideal of establishing life-long values of integrity, empathy, respect and community service.

NON-FINANCIAL PERFORMANCE

GOVERNMENT OBJECTIVES FOR THE COMMUNITY

The Queensland Government has issued a Statement of Objectives (Getting Queensland Back on Track) for the Community which aims to achieve future prosperity through the delivery of five pledges, as follows:

- **Grow a Four Pillar Economy** by reducing unemployment, help business create jobs, investing in apprentice skills and training, reducing debt, return to AAA credit rating, investing in tourism and agriculture and returning budget to surplus,
- **Lower the Cost of Living** by assisting families by reducing the cost to them for various government services expenditure,
- **Invest in Better Infrastructure and Use Better Planning** by investing in infrastructure that enhances economy and people's lives, protects the environment and ensuring that projects are delivered on time and within budget,
- **Revitalise Front-Line Services** by delivering better and more affordable health services, increasing student literacy and numeracy, investing in early childhood education, supporting public services and community groups and programs,
- **Restore Accountability in Government** by giving people a real say, ensuring better value for tax payer's money and ensuring ministers are accountable for their decision.

Ipswich Grammar School contributes to these Government policies, strategies and objectives in the follow manner:

- Continued commitment to outstanding academic excellence by establishing professional learning programs designed to enhance teaching and learning practices for improving student literacy and numeracy results,
- Supporting apprentice skills training thereby opening up career pathways to students,
- Promoting an educational environment where every student has the opportunity and right to achieve their very best across all dimensions of their schooling thereby enhancing their personal and career development for adult integration into the workforce and society,
- Encourage awareness and participation in community services and events,
- Maintain strong relationships with the entire community including staff, Old Boys, parents, corporate parents and Parents and Friends,
- Maintain first-class facilities and resources with infrastructure projects which provide employment to the local industries and are delivered on time and within budget, and
- Promote international tourism with the undertaking of Study Tours from Asia.

AGENCY OBJECTIVES AND PERFORMANCE INDICATORS

From a teaching and learning perspective, there were a number of highlights and excellent achievements in the School's strategic goals for 2014.

Academic Results

The School's exceptional record of academic excellence was demonstrated with the 2014 Year 12 students achieving outstanding results.

QCS Mean		
2014	IGS - 130.8	State - 116.8
2013	IGS - 108.4	State - 109.2
2012	IGS - 116.3	State - 110.2
2011	IGS - 114.3	State - 108.5
2010	IGS - 111.7	State - 109.3

QCS Test 2014	A	B	C	D	E
IGS	31.5%	39.7%	26%	4%	-
	71.2%				
State	17.1%	29.8%	35.6%	17.4%	
	46.9%				

QCS Test 2013	A	B	C	D	E
IGS	14.8%	30.4%	32.2%	22.6%	-
	45.2%				
State	17.6%	29.7%	35.4%	17.1%	.1%
	47.3%				

OP Results					
OP Range	2014	2013	2012	2011	2010
1-5	32.8%	19%	23%	30%	22%
1-10	75.3%	45%	56%	55.3%	50%
1-15	98.6%	82%	84.5	77.2%	76%

Class of 2014 OP Results			
OP Range	IGS (%)	State (%)	
1	2.7	2.7	<ul style="list-style-type: none"> • QTAC first preference 82% • QTAC second preference 25% • Accepted to UQ 26% • Accepted to QUT 24% • Engineering 14% • Health 18% • Commerce/Law/Psychology 40%
1-3	16.4	10.7	
1-5	32.8	20.5	
1-10	75.3	49.76	
1-15	98.6	79.26	

The performance of the 2014 Year 9 group in the National Assessment Program for Literacy and Numeracy (NAPLAN) tests was extremely pleasing. This standardised testing is completed by all Australian students in Years 3, 5, 7 and 9. There are five results emerging from the papers: Reading, Writing, Spelling, Grammar and Punctuation, and Numeracy. The achievements of the Year 3 and 5 are outstanding with all students achieving at or above National minimum standard.

YEAR 3	Reading	Writing	Spelling	G & P	Numeracy
Average Score (IGS)	466	428	445	479	449
Average Score (Qld)	410	390	400	421	393
Average Score (national)	418	402	411	426	401
% at or above National minimum standard	100	100	100	100	100

YEAR 5	Reading	Writing	Spelling	G & P	Numeracy
Average Score (school)	532	485	522	549	524
Average Score (Qld)	496	457	489	500	481
Average Score (national)	500	468	497	504	487
% at or above National minimum standard	100	100	100	100	100

YEAR 7	Reading	Writing	Spelling	G & P	Numeracy
Average Score (school)	545	528	531	569	560
Average Score (Qld)	542	505	537	540	544
Average Score (national)	545	511	545	543	545
% at or above National minimum standard	100	99	94	97	100

YEAR 9	Reading	Writing	Spelling	G & P	Numeracy
Average Score (school)	585	557	587	585	618
Average Score (Qld)	571	544	575	568	580
Average Score (national)	580	550	581	573	587
% at or above National minimum standard	98	91	94	98	100

AGENCY SERVICE AREAS AND SERVICE STANDARDS

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

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

Ipswich Grammar School curriculum covers various aspects of lifeskills. A holistic approach to education focuses on academic, music and sporting students to develop a set of core values in young men. With full-time counsellors and staff in student services areas, programs are in place to support students of all ages and abilities based on their individual needs.

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

Ipswich Grammar School has performed well in achieving its service standards as disclosed to the community. The high level of performance achieved is attributable to the following:

- Using a thematic approach to learning to allow boys to think and talk about ideas while developing the confidence to communicate,
- Engaging in problem-solving situations, incorporating play and having healthy and physical activities, boys learn to create, express and challenge themselves,
- With Music, Drama and Visual Art, allowing boys to develop a wide range of skills while enjoying the challenges of new experience,
- Outdoor education and lifeskills programs help boys develop self-worth and confidence and promote teamwork, self-reliance, friendship, leadership, values and personal responsibility,
- Literacy is fostered through cross-curricular initiatives, structured reading strategies, writing programs and literacy competitions and workshops,
- Outdoor education programs develop emotional resilience, problem solving and team skills while encouraging boys to challenge themselves,
- Enhanced learning technology opens up learning in the classroom by utilising the latest versions of Microsoft Windows (on a 1:1 laptop program for Years 4-12) and such IT tools as multimedia, computer simulations, subject related programs.

FINANCIAL PERFORMANCE

SUMMARY OF FINANCIAL PERFORMANCE

For the financial year ended 31 December 2014, the operating loss from continuing operations was (\$1.145m) compared to the operating loss from the previous year of (\$1.495m). This is a \$350k operational improvement to add to the \$892k improvement from the previous year.

The following points should also be noted for the 2014 year, with the School:

- paying all debts as and when they have become due and payable in 2014,
- having repaid in full the QTC loan facility debt,
- generating positive cash flow resulting in a \$1.014m reduction in the QTC working capital facility usage at the end of the year,
- maintaining a low debt-to-revenue ratio of 0.06 (0.08 in 2013) confirming its position of a strong and positive future of financial stability and solvency,
- having a strong net assets value of \$51.513m, and
- continuing the commitment for a second year to minimise future fee increases to promote strong enrolment growth.

The Strategic Goals for 2015 incorporates further reduction in fees to make the School affordable to parents, continued review of expenditure to benefit from savings, additional beautification of the School to enhance curriculum learning and a strong marketing focus to the broader community.

GOVERNANCE – MANAGEMENT AND STRUCTURE

ORGANISATIONAL STRUCTURE

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

The Board of Trustees of the Ipswich Grammar School consists of seven members appointed by the Governor in Council by notification published in the Queensland Government Gazette, for a term of four years, of whom:

- Four are persons nominated by the Minister for Education, Training and Employment, and
- Three are persons elected as prescribed by the *Grammar Schools Act 1975* (ie: donated or subscribed to the School at least the electoral eligibility amount), and

The Senior Management Team is chaired by the Headmaster/CEO and consists of key senior executives who assist in the management of various aspects of the schools matters.

EXECUTIVE MANAGEMENT

Senior Leadership Team

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

The Senior Leadership Team for 2014 consisted of 5 key executive positions as follows:

Senior Leadership Team	Positions
Mr Robert Henderson	Headmaster/CEO
Mr Tony Dosen	Deputy Headmaster
Mr John Chalvatzis	Head of Middle School
Mr David Macknish	Head of Junior School
Ms Vilma Gallinaro	Business Manager and Secretary to the Board

Middle Management

The Middle Management staff members for 2014 consisted of 11 key executive people as follows:

Middle Management Team	Positions
Mr Nigel Lucas	Head of Year 12
Mr Geoff Dieckmann	Head of Year 11
Mr Robert Charles	Head of Year 10
Mr Alex McArdle	Head of Year 9
Mr Michael Wellings	Head of Year 8
Mr Nigel Greive	Director of Sport and Activities
Mr Aaron Moore	Sports Coordinator
Mr John Beaumont	Director of Boarding
Mr Glen Cronan	Deputy Director of Boarding
Mrs Debbie McCourt	Finance Manager
Mr Peter Yeates	Information Services Manager

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

Pastoral Care Committee

This committee met on a weekly basis and is chaired by the Deputy Headmaster. The function of this committee is to manage all aspects of student care.

Academic Committee

This committee met on a weekly basis and is chaired by the Deputy Headmaster. The function of this committee is to manage academic, teaching and learning strategies and process.

ICT Committee

This committee met on a monthly basis and is chaired by the Deputy Headmaster. The function of this committee is to ensure that the ICT platform services the teaching staff to achieve their teaching outcomes.

Boarding Committee

This committee met on a fortnightly basis and is chaired by the Headmaster/CEO. The function of this committee is to address all aspects of managing the Boarding House and the pastoral care of the boarders.

Student Support Group Committee

This committee met on a monthly basis and is chaired by the Deputy Headmaster. The function of this committee is to assist, support and manage students who have learning difficulties by ensuring an appropriate outcomes action plan is adopted.

Co-Curricular Committee

This committee met on a monthly basis and is chaired by the Director of Sport and Activities. The function of this committee is to manage with all Masters-in-Charge the co-curricular activities schedule for the year.

GOVERNMENT BODIES

The School is governed by the Board of Trustees of the Ipswich Grammar School in accordance with the *Grammar Schools Act 1975* and for 2014, the membership was as follows:

Ministerial Nominees

Trustee	Profession
Mr Adam Ward	Accountant
Mrs Faye Ramsey	Human Resource Manager
Dr Michael Fanshawe	Anaesthetist (appointed 24/4/2014)
Mr Greg Wallace	Managing Director (appointed 24/4/2014)

Ministerial members of the Board is a voluntary activity and there is no remuneration for this position.

Elected Subscriber Representatives

Trustee	Profession
Mr Jon Kent (Chair)	Solicitor
Mr Mark Wilton	Company Director (resigned 14/10/2014)
Dr Andrew Winter	Anaesthetist

Elected members of the Board is a voluntary activity and there is no remuneration for this position.

Headmaster/CEO & Secretary to the Board of Trustees

Members	Position
Mr Robert Henderson	Headmaster/CEO
Ms Vilma Gallinaro	Chartered Accountant

The Board of Trustees conducted 11 meetings during 2014. The number of Board Meetings attended by each trustee is listed below:

Trustee	No. of Board Meetings Attended
Mr Jon Kent (Chair)	11
Mr Adam Ward (Deputy Chair)	10
Mr Mark Wilton	3
Dr Andrew Winter	9
Mrs Faye Ramsey	9
Mr Robert Henderson	11
Ms Vilma Gallinaro	11
Dr Michael Fanshawe	8
Mr Greg Wallace	6

The primary responsibilities of the Board of Trustees were as follows:

- Govern the leadership and management of the School,
- Endorse the strategic goals of the School and provide guidance to achieving them,
- Supervise, maintain and control the conduct of the School,
- Provide guidance on the discipline and conduct of students enrolled at the School,
- Purchase or sell buildings used or to be used for the School,
- Effect general improvements to the premises and grounds used in connection with the School, and
- Make rules with respect to tuition fees to be paid in relation to student enrolments.

The Board of Trustees outstanding achievements for 2014 can be summarised as follows:

- Establishment of three core strategic directions,
 - Improvement of academic results,
 - Creating an affordable education for boys, and
 - Enhancing communication.
- Improved financial performance and increased cash position,
- Enhanced academic results particularly in Year 12 OP results,
- Commencement of beautification project to develop overall appearance of the School and enhance curriculum learning,
- Guiding a strong marketing focus to the community of the benefits of an Ipswich Grammar School education, and
- Commit to keeping fee increases to a minimum and approving fee reductions for Junior School tuition fees from 2016.

PUBLIC SECTOR ETHICS ACT 1994

The administrative procedures and management practices of Ipswich Grammar School have proper regard to the ethics principles and values, the approved Code of Conduct and the standard of practice as it applies to the School. All staff are bound by the Code of Ethics for Teachers in Queensland and are annually reminded of the Code at Professional Development days at the commencement of the School year and at induction for new staff.

GOVERNANCE – RISK MANAGEMENT AND ACCOUNTABILITY

RISK MANAGEMENT

Ipswich Grammar School, under the new legislation *Work Health and Safety Act 2011* have a Safety Advisor to assist all staff members in identification and rectification of any physical or operational risk within the School environment and to manage the risk exposure of the School environment by conducting monthly safety audits and updating operational risk registers with assessments and recommendations to reducing the risk.

Financial risk management and compliance responsibilities are assessed by the Audit & Finance Committee to be presented to the Board. These risk areas cover policies and procedures for finance and ICT, such as:

- Financial Risk – minimise potential adverse effects on financial performance,
- Credit Risk – adopts a credit management strategy,
- Liquidity Risk – adopts a liquidity management strategy closely monitoring available cash,
- Interest Risk – limited exposure due to borrowings from QTC,
- Data Recovery – back up servers in place.

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

EXTERNAL SCRUTINY

Ipswich Grammar School is subject to an annual audit by the nominated QAO representative audit firm. The auditors for the 2014 year are UHY Haines Norton, Chartered Accountants. No significant findings or issues have been identified.

AUDIT COMMITTEE

The Board of Trustees established a sub-committee of the following members, to represent the Finance and Audit (F&A) Committee. This committee has observed the terms of its charter and had due regard to Treasury's *Audit Committee Guidelines*.

Member	Position	Role
Mr Jon Kent (Solicitor)	Chair of the Board of Trustees	Board member
Mr Adam Ward (Accountant)	Deputy Chair of the Board	Chair of F & A
Mr Robert Henderson (Educator)	Headmaster/CEO	CEO of the School
Ms Vilma Gallinaro (Accountant)	Business Manager	Accounting & Management
Mrs Debbie McCourt (Accountant)	Finance Manager	Accounting & Finance

The Finance and Audit Committee met 11 times in 2014 and its primary responsibilities were as follows:

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

The Finance and Audit Committee's outstanding achievements for 2014 can be summarised as follows:

- Oversee the implementation of a very rigorous debt collection policy resulting in a significant reduction in outstanding debtors at the end of the year,
- Assigning an external Tennis organisation to provide extra-curricular tennis expertise for the students as well as providing a source of rental income to the School, and
- Consolidation of a number of sub-ledger accounting processes for Clothing Store and BASC into one main financial system.

INTERNAL AUDIT

The internal audit function is conducted by the Finance and Audit Committee. This Committee reports directly to the Board of Trustees on all aspects of internal and external audit procedures, financial considerations, budget parameters and associated financial management related matters.

INFORMATION SYSTEMS AND RECORD KEEPING

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

Effective record keeping is fundamental to good business as records are evidence of business activities, transactions and decisions. In addition to managing records as a dependable resource, Ipswich Grammar School's staff create and capture complete and accurate records by converting paper form documentation into an electronic form. Grammar School's records are managed until they have completed their lifecycle where they are archived and disposed of in accordance with the Queensland State Archives Retention and Disposal schedule.

Ipswich Grammar School's recordkeeping practices ensure our recordkeeping policy aligns with the following standards: *Information Standard 40 & Recordkeeping and Information Standard 31*. The practices aim to ensure our records management practices are compliant with current legislation and best practice recordkeeping standards.

GOVERNANCE – HUMAN RESOURCES

WORKFORCE PLANNING, ATTRACTION, RETENTION AND PERFORMANCE

The recruitment policies and procedures for Ipswich Grammar School have been developed to ensure the attraction of high quality candidates with effective appointments of suitable staff. Reference checks are undertaken in order to achieve the School's aim to appoint high performing individuals with extensive experience in their field of expertise and with character attributes which contribute to the employment expectations at Ipswich Grammar School being professionalism, hard work and dedication to achieving the School's Strategic Goals.

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

The School is a continual learning community for all staff and accordingly, a leadership and management development framework exists where vacancies which create a promotional opportunity are offered to existing staff members to apply. Successful recruitment from within the School allows suitable staff to expand their experience and credentials in undertaking a leadership role that encompasses duties that stretch their existing talent.

Ipswich Grammar School promotes flexible working arrangements and work-life balances by assisting staff members with families to either work from home at appropriate times, take on part-time and job share opportunities, arrange flexible working hours and take leave arrangements which do not impose on the teaching outcomes or efficient administration.

The staffing summary for 2014 is as follows and clearly shows a high staff retention rate indicating Ipswich Grammar School is a preferred employer.

TEACHING STAFF	Full-Time (FTE)	Part-time Casual (FTE)	Total (FTE)
Teachers	71	0.9	71.9
Student Counsellors	2	0	2
Resource Teachers	1	0.6	1.6
Teacher Librarian	1	0	1
TOTALS	75	1.5	76.5
ANCILLIARY STAFF	Full-Time (FTE)	Part-time Casual (FTE)	Total (FTE)
Specialist	2	0	2
Support	0	21.37	21.37
Admin & Clerical	15	0.2	15.2
Building & Grounds	7	1	8
Domestic	1	1.5	2.5
Laundry	0	0.74	0.74
Nursing	0	1.5	1.5
TOTALS	25	26.31	51.31

EARLY RETIREMENT, REDUNDANCY AND RETRENCHMENT

RETENTION/SEPARATION	Full-Time (FTE)	Part-time Casual (FTE)	Total (FTE)	Retention %	Separation %
Resigned	10	3.59	13.59		
Retired	1	0.7	1.7		
Deceased	1	0	1		
TOTALS	12	4.29	16.29	87%	13%
Teaching	9	0.9	9.9	87%	13%
Non-Teaching	3	3.39	6.39	88%	12%

OPEN DATA

OPEN DATA

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

- Consultancies
- Overseas Travel

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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GENERAL INFORMATION

These financial statements cover Ipswich Grammar School, the Ipswich Boys Grammar School Centenary Building Fund, the Ipswich Grammar School Scholarship & Bursary Fund and the Ipswich Grammar School Library Fund, the Clothing Store operations and the Before and After School activities.

Ipswich Grammar School is a Statutory Body established under the Grammar Schools Act 1975.

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

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

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

For information in relation to Ipswich Grammar School's Financial Statements, please call Ms Vilma Gallinaro on 3813 9620 or email vgallinaro@ipswichgrammar.com or visit www.ipswichgrammar.com.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	2014 \$'000	2013 \$'000
Income from Continuing Operations			
Tuition and Boarding Fees		13,014	13,222
Grants and Contributions	2	8,397	8,357
Other Revenue	3	2,058	1,802
Total Income from Continuing Operations		23,469	23,381
Expenses from Continuing Operations			
Employee Expenses	4	13,815	14,395
Supplies and Services	6	8,185	7,825
Depreciation and Amortisation	7	2,267	2,235
Finance and Borrowing Costs	8	83	83
Other Expenses	9	264	338
Total Expenses from Continuing Operations		24,614	24,876
Operating Result from Continuing Operations		(1,145)	(1,495)
Other Comprehensive Income			
Increase(Decrease) in Asset Revaluation Surplus	21	(50)	(1,753)
Total Other Comprehensive Income		(50)	(1,753)
TOTAL COMPREHENSIVE INCOME		(1,195)	(3,248)

The accompanying Notes form part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	NOTES	2014 \$'000	2013 \$'000
Current Assets			
Cash and Cash Equivalents	10	1,355	539
Receivables	11	562	780
Inventories		284	301
Other Current Assets	13	140	36
Current Assets		2,341	1,656
Non-Current Assets Held for Sale	14	251	-
Total Current Assets		2,592	1,656
Non-Current Assets			
Other Financial Assets	15	3	3
Property, Plant & Equipment	16	54,525	56,322
Total Non-Current Assets		54,528	56,325
TOTAL ASSETS		57,120	57,981
Current Liabilities			
Payables	17	1,307	952
Other Financial Liabilities	18	732	1,758
Accrued Employee Benefits	19	410	289
Other Current Liabilities	20	562	389
Total Current Liabilities		3,011	3,388
Non-Current Liabilities			
Other Financial Liabilities	18	675	85
Accrued Employee Benefits	19	1,921	1,850
Total Non-Current Liabilities		2,596	1,935
TOTAL LIABILITIES		5,607	5,323
NET ASSETS		51,513	52,658
Equity			
Accumulated Surplus		14,898	15,993
Asset Revaluation Surplus	21	36,615	36,665
TOTAL EQUITY		51,513	52,658

The accompanying Notes form part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2014

	Accumulated Surplus	Asset Revaluation Surplus (Note 21)	Total
	\$'000	\$'000	\$'000
Balance as at 1 January 2013	17,488	38,418	55,906
Operating Result from Continuing Operations	(1,495)	-	(1,495)
<i>Total Other Comprehensive Income</i>			
- Increase/(Decrease) in Asset Revaluation Surplus	-	(1,753)	(1,753)
Balance as at 31 December 2013	15,993	36,665	52,658
Balance as at 1 January 2014	15,993	36,665	52,658
Operating Result from Continuing Operations	(1,145)	-	(1,145)
<i>Total Other Comprehensive Income</i>			
- Increase/(Decrease) in Asset Revaluation Surplus	50	(50)	-
- Transfer to Accumulated Surplus			
Balance as at 31 December 2014	14,898	36,615	51,513

The accompanying Notes form part of these Financial Statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2014

	NOTES	2014 \$'000	2013 \$'000
Cash Flows from Operating Activities			
Inflows:			
Tuition and Boarding Fees		13,304	13,052
Grants and Contributions		8,397	8,357
GST Input Tax Credits from ATO		255	225
GST Collected		682	672
Interest Income		79	92
Other		1,971	1,710
Outflows:			
Employee Expenses		(13,622)	(14,437)
Supplies and Services		(7,913)	(7,799)
Finance and Borrowing Costs		(83)	(83)
GST Paid to Suppliers		(845)	(827)
GST Remitted to ATO		(133)	(95)
Other		-	-
Net Cash provided by (used in) Operating Activities		2,092	867
Cash Flows from Investing Activities			
Inflows:			
Sales of Property, Plant and Equipment		354	-
Outflows:			
Payments for Property, Plant and Equipment		(251)	(284)
Net Cash provided by (used in) Investing Activities		103	(284)
Cash Flows from Financing Activities			
Inflows:			
Borrowings	18	420	1,434
Outflows:			
Borrowing Redemptions		(1,574)	(2,322)
Finance Lease Payments		(225)	(85)
Net Cash provided by (used in) Financing Activities		(1,379)	(973)
Net Increase/(Decrease) in Cash and Cash Equivalents		816	(390)
Cash and Cash Equivalents at the beginning of the Financial Year		539	929
Cash and Cash Equivalents at the end of Financial Year	10	1,355	539

The accompanying Notes form part of these Financial Statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

OBJECTIVES AND PRINCIPAL ACTIVITIES

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

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

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

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

(b) The Reporting Entity

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

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

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

(c) Fee Revenue

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

(d) Grants and Contributions

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which Ipswich Grammar School obtains control over them. Where Grants are received that are reciprocal in nature, revenue is recognised over the terms of the funding arrangements.

(e) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 31 December as well as deposits at call with financial institutions.

(f) Receivables

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

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off as at 31 December 2014. Increases in the allowance for impairment are based on loss events that have occurred.

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

(g) Inventories

Inventories are valued at the lower of cost or net realisable value.

Cost includes all purchase related rebates, settlement discounts and other costs incurred to bring inventory to its present condition and location for sale.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(h) Non-Current Assets Classified as Held for Sale

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

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

(i) Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. Any training costs are expensed as incurred.

(j) Trust Transactions and Balances

The School undertakes certain trustee transactions. As the School acts only in a custodial role in respect of these transactions and balances, they are not recognised in the Financial Statements but are disclosed in Note 25.

(k) Property, Plant and Equipment

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

Land	\$1
Buildings	\$10,000
Plant and Equipment	\$5,000

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

(l) Revaluations of Non-Current Physical Assets

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

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

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

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

Non-current physical assets were revalued in 2013 by AssetVal.

The valuation process performed by AssetVal for land included physical inspections and reference to market transactions for local land sales.

The comprehensive valuation process performed by AssetVal for buildings and infrastructure included physical inspections and the identification of the current condition of the asset and its expected remaining useful life.

For 2014, land, buildings and infrastructure assets were not comprehensively valued however AssetVal advised that the indices were immaterial and therefore no adjustments were made to the fair value of the assets from last year.

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

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

Materiality concepts under *AASB 1031 Materiality* are considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

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

(m) Depreciation

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

Buildings and Plant and Equipment are depreciated on a straight-line basis so as to allocate the net costs or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to Ipswich Grammar School.

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

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

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

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable.

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

Class	Rate %
Buildings & Building Improvement (including Heritage assets)	1.34%-6.9%
Land Improvements	1.25%-20%
Plant & Equipment	2.5%-40%
Leased Assets	20%-33%

(n) Impairment of Non-Current Assets

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

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

An impairment loss is recognised immediately in 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.

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

(o) Fair Value Measurement

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

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

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

(p) Leases

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

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

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

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

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expenses and reduction of the liability.

(q) Available-for-Sale Financial Assets

The available-for-sale financial assets, comprising of marketable equity securities, are non-derivatives that are designated in this category. They are included in non-current assets unless the investment matures or The Board of Trustees intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

(r) Payables

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

(s) Financial Instruments*Recognition*

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

Classification

Financial instruments are classified and measured as follows:

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

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

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

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

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

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

(t) Employee Benefits

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

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

Wages, Salaries and Sick Leave

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

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement.

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

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

Superannuation

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

Annual Leave and Long Service Leave

Annual Leave and Long Service Leave are disclosed as current liabilities to the extent that Ipswich Grammar School expects to pay such liabilities within the 12 months following balance date. Otherwise, annual leave and long service leave liabilities are classified as non-current liabilities.

Entitlements expected to be paid within the 12 months following balance date are recognised at their undiscounted values. For those entitlements not expected to be paid within the 12 months following balance date, the liabilities are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely payment.

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

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

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 and Trade. Refer to Note 5 for the disclosures on key management personnel and remuneration.

Remuneration of Board Members

No Board Members received or were entitled to receive any fees or other benefits during this year.

(u) Insurance

Ipswich Grammar School's non-current physical assets and other risks were insured through QBE, CGU ACE and Zurich up to 31 October 2014, premiums being paid on a risk assessment basis. From that date, insurance cover was from Vero, AIG, CGV and Liberty. In addition, Ipswich Grammar School pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(v) Taxation

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

(w) Issuance of Financial Statements

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

(x) Accounting Estimates and Judgements

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

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

- Valuation of Property, Plant and Equipment – Note 16; Note 1(l), (o)
- Accrued Employee Benefits – Note 19; Note 1(t)
- Provision for Doubtful Debts – Note 11; Note 1(f)

(y) Rounding and Comparatives

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

There has been no restatement of comparative information.

(z) New and Revised Accounting Standards

The School did not voluntarily change any of its accounting policies during 2013-2014. Australian Accounting Standard changes applicable for the first time as from 2013-2014 that have had a significant impact on the School's financial statements are described below.

AASB13 *Fair Value Measurement* became effective from reporting periods beginning on or after 1 January 2013. AASB 13 sets out a new definition of 'fair value' as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements apply to all of the School's assets and liabilities (excluding leases) that are measured at fair value or another measurement based on fair value. The impacts of AASB 13 relate to the fair value measurement methodologies used and financial statement disclosures made in respect of such assets and liabilities.

The School has reviewed its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to assess whether those methodologies comply with AASB 13. To the extent that the previous methodologies were not in compliance with AASB 13, valuation methodologies were revised accordingly to be in line with AASB 13. The revised valuation methodologies have not resulted in material differences from the previous methodologies.

A revised version of AASB 119 *Employee Benefits* became effective for reporting periods beginning on or after 1 January 2013. The most significant implication for the School is that the revised accounting standard includes changed criteria for accounting for employee benefits as 'short-term employee benefits'. As a result, any class of employee benefit not expected to be wholly settled within 12 months after the reporting date is to be

accounted for as 'other long-term employee benefits'. The recognition and measurement of the School's obligations for 'other long-term employee benefits' follows most of the requirements for defined benefit plans. This affects the School's annual leave and long service leave liabilities. Therefore, the measurement of those liabilities, and the measurement and presentation of changes in those liabilities, now reflect defined benefit plan accounting (refer to note 1(t) for more information).

Other potential implications arising from the revised AASB 119 were the revised concept of 'termination benefits' and the revised recognition criteria for termination benefit liabilities. If any termination benefit obligations meet the AASB 119 timeframe for 'short-term employee benefits', they will be measured according to the requirements for 'short-term employee benefits'. Otherwise, termination benefits need to be measured according to the requirements for 'other long-term employee benefits'.

NOTE 2: GRANTS & CONTRIBUTIONS		
	2014	2013
	\$'000	\$'000
State	1,986	1,967
Commonwealth	6,273	6,118
Endowment	22	22
Special Purposes	116	250
Total Grants and Contributions	8,397	8,357

NOTE 3: OTHER REVENUE		
	2014	2013
	\$'000	\$'000
Clothing Store Sales	450	402
Chartered Bus and Ancillary Fees	591	555
Donations	425	302
Interest Revenue	78	92
Other Revenue	514	451
Total Other Revenue	2,058	1,802

NOTE 4: EMPLOYEE EXPENSES		
	2014	2013
	\$'000	\$'000
Employee Benefits		
Wages & Salaries	11,530	12,206
Annual Leave & Long Service Leave	698	598
Employer Superannuation Contribution	1,298	1,340
Other Employee Benefits	110	103
Employee Related Expenses		
Workers' Compensation Premium	179	148
Total Employee Expenses	13,815	14,395
The number of employees including both full-time employees and part-time employees measured on a full-time basis is:		
Number of Employees (FTE)	128	137.5

NOTE 5: KEY MANAGEMENT PERSONNEL AND REMUNERATION

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

Position	Responsibilities	Contract Classification and Appointment Authority	Date Appointed to the Position/ (Date Resigned from the Position)
Elected Trustee	To supervise, maintain and control the conduct of the School. To make rules with regards to the management and control of the School.	Elected position through roll of electors and appointed by the Governor in Council	20/11/2010
Government Appointed Trustee		Appointed by the Governor in Council	31/1/2013
Headmaster/CEO	The Headmaster/CEO is responsible for the implementation of plans and strategies as approved by the Board of Trustees.	Five year contract	01/01/2011
Deputy Headmaster	The Deputy Headmasters support the Headmaster/CEO in the implementation of plans and strategies as delegated by the Headmaster/CEO in the areas of curriculum, students and operations.	Annual contract	01/01/2014
Business Manager	The Business Manager supports the Headmaster/CEO in the implementation of plans and strategies in relation finance, administration and Government reporting.	Five year contract	05/10/2012
Head of Middle School	The Head of Middle School supports the Headmaster/CEO in the implementation of plans and strategies in relation to the Middle School.	Annual Contract	01/01/2012
Head of Junior School	The Head of Junior School supports the Headmaster/CEO in the implementation of plans and strategies in relation to the Junior School.	Annual Contract	01/01/2005

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

- Short term employee benefits which include:
 - Base: 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: consisting of provision of school fees and motor vehicles together with FBT applicable to the benefit,
- Long term employee benefits including long service leave accrued,
- Post-employment benefits including superannuation contributions,

- Termination payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payments in lieu of notice on termination, regardless of the reason for termination,
- No performance bonuses were paid.

2014						
Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employee Expenses	Termination Expenses	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Elected Trustees	-	-	-	-	-	-
Appointed Trustees	-	-	-	-	-	-
Headmaster/ CEO	309	44	7	29	-	389
Business Manager	193	11	4	18	-	226
Deputy Headmaster	135	-	3	17	-	155
Head of Middle School	123	9	3	11	-	146
Head of Junior School	124	3	4	15	-	146
	884	67	21	90	-	1,062

2013						
Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employee Expenses	Termination Expenses	Total Expenses
	Base	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Elected Trustees	-	-	-	-	-	-
Appointed Trustees	-	-	-	-	-	-
Headmaster/ CEO	286	44	7	26	-	363
Business Manager	188	8	4	17	-	217
Deputy Headmasters						
- Curriculum	139	-	3	17	80	239
- Students	127	8	3	12	80	230
- Operations	141	-	3	18	134	296
Head of Middle School	117	10	3	10	-	140
Head of Junior School	117	5	3	15	-	140
	1,115	75	26	115	294	1,625

NOTE 6: SUPPLIES AND SERVICES

	2014	2013
	\$'000	\$'000
Advertising and Promotional	256	278
Boarding House Food Provisions	493	546
Computer Expenses	1,038	969
Consultants and Contractors	83	83
Electricity and Gas	367	337
Motor Vehicle Expenses	1,819	1,849
Rates	235	228
Repairs & Maintenance and Cleaning Expenses	1,369	993
Cost of Clothing Store Goods Sold	361	307
Other expenses	2,164	2,235
Total Supplies and Services	8,185	7,825

NOTE 7: DEPRECIATION AND AMORTISATION

	2014	2013
	\$'000	\$'000
Buildings	1,819	1,836
Plant and Equipment	240	320
Plant and Equipment under Finance Lease	172	79
Land Improvements	36	-
Total Depreciation and Amortisation	2,267	2,235

NOTE 8: FINANCE AND BORROWING COSTS

	2014	2013
	\$'000	\$'000
Interest Paid (Net of Administration Charges)	83	83
Total Finance and Borrowing Costs	83	83

NOTE 9: OTHER EXPENSES

	2014	2013
	\$'000	\$'000
Audit Fees *	49	46
Insurance Premiums	114	137
Impairment Losses on Trade Receivables	101	155
Total Other Expenses	264	338

*Total audit fees paid to the Queensland Audit Office relating to the 2014 Financial Statements are estimated to be \$37,500 (2013: \$48,900). There are no non-audit services included in this amount.

NOTE 10: CASH AND CASH EQUIVALENTS

	2014 \$'000	2013 \$'000
Imprest Accounts	3	3
Clothing Store Cash	100	298
Before and After School Cash	28	-
Cash at Bank	1,224	238
Total Cash and Cash Equivalents	1,355	539

NOTE 11: RECEIVABLES

	2014 \$'000	2013 \$'000
Trade Debtors	565	771
Less: Allowance for Impairment Loss	(223)	(135)
	342	636
Other Debtors	220	144
Total Receivables	562	780

NOTE 12: MOVEMENTS IN THE PROVISION FOR IMPAIRMENT LOSS

	2014 \$'000	2013 \$'000
Balance at the beginning of the year	135	50
Amounts written off during the year	(13)	(70)
Amounts recovered during the year	-	-
Increase/ (Decrease) in Provision	101	155
Balance at the end of the year	223	135

NOTE 13: OTHER CURRENT ASSETS

	2014 \$'000	2013 \$'000
Prepayments	139	33
Refundable Bonds	1	3
Total Other Current Assets	140	36

NOTE 14: NON-CURRENT ASSETS HELD FOR SALE

	2014 \$'000	2013 \$'000
Land and Building	251	-
Total Non-Current Assets Held for Sale	251	-

The Board resolved in November 2014 that a residential property be sold and that the proceeds from that property sale be used for the School's Beautification Project. The sale is expected to be finalised in February 2015.

Note 1(h) explains the accounting treatment and measurement of non-current assets held for sale. For the assets described above, the valuations reflect fair value less costs to sell, as that was lower than carrying amount at the time of meeting the "held of sale" criteria.

NOTE 15: OTHER NON-CURRENT FINANCIAL ASSETS

	2014 \$'000	2013 \$'000
Shares in Listed Corporation, at fair value	3	3
Total Other Non-Current Financial Assets	3	3

NOTE 16: PROPERTY, PLANT & EQUIPMENT

	2014 \$'000	2013 \$'000
Land		
At Fair Value	7,560	7,920
Less: Accumulated Depreciation	-	-
	7,560	7,920
Buildings		
At Fair Value	80,503	80,864
Less: Accumulated Depreciation	(35,893)	(34,199)
	44,610	46,665
Land Improvements		
At Fair Value	1,104	1,104
Less: Accumulated Depreciation	(444)	(408)
	660	696
Work in Progress at Cost	255	260
Leased Assets		
Leased Assets	1,208	393
Less: Accumulated Depreciation	(383)	(211)
	825	182
Plant & Equipment		
School Site – at cost	4,351	4,095
Brassall Sporting Complex – at cost	238	246
Less: Accumulated Depreciation	(3,974)	(3,742)
	615	599
Total Property, Plant & Equipment	54,525	56,322

Ipswich Grammar School has been granted a Deed of Grant pursuant to the Alienation of Crown Lands Act 1860 over Crown land reserves 832 and 833. The land is retained by the Crown, however the economic benefits of this land accrue to Ipswich Grammar School and the land is administered by Ipswich Grammar School.

AssetVal undertakes comprehensive valuations for identified material assets and provide valuation indices for the period where no comprehensive valuation is performed.

The valuation process performed by AssetVal in 2013 included physical inspections, the identification of the current condition of the asset and its expected remaining useful life, and reference to market transactions for local land sales. For 2014, AssetVal provided an index for each land parcel based on recent transaction for local land sales. These indices were less than 5% therefore no adjustments were made to the fair value of land from last year.

Further, AssetVal provided an index based on information supplied from the Queensland Governments' office of Economic and Statistical Research which AssetVal then benchmarked against other indices for

appropriateness. These indices were less than 5% therefore no adjustments were made to the fair value of buildings and infrastructure from last year.

PROPERTY, PLANT & EQUIPMENT RECONCILIATION	Land \$'000	Buildings \$'000	Land Imps. \$'000	WIP \$'000	Leased Assets \$'000	Plant & Equipment \$'000	Total \$'000
Carrying Amount as at 1 Jan 2014	7,920	46,665	696	260	182	599	56,322
Acquisitions	-	-	-	21	815	230	1,066
Disposals	(180)	(165)	-	-	-	-	(345)
Transfer to Assets Held for Sale	(180)	(71)	-	-	-	-	(251)
Transfer Between Asset Classes	-	-	-	(26)	-	26	-
Revaluations Increase/ (Decrease)	-	-	-	-	-	-	-
Depreciation	-	(1,819)	(36)	-	(172)	(240)	(2,267)
Carrying Amount as at 31 Dec 2014	7,560	44,610	660	255	825	615	54,525

NOTE 17: PAYABLES

	2014 \$'000	2013 \$'000
Trade Payables	686	445
Other Payables and Accruals	621	507
Total Payables	1,307	952

NOTE 18: OTHER FINANCIAL LIABILITIES

	2014 \$'000	2013 \$'000
Current		
Lease Liabilities*	312	184
Queensland Treasury Corporation Borrowings		
- Working Capital Facility	420	1,434
- Loan facility	-	140
Total Current Financial Liabilities	732	1,758
Non-Current		
Lease Liabilities*	675	85
Total Non-Current Financial Liabilities	675	85
Total Financial Liabilities	1,407	1,843

* Refer Lease Liabilities in Note 23

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

On 30 October 2012, an unsecured bank overdraft facility with the Queensland Treasury Corporation was approved with a limit of \$2,000,000. This facility has been partially drawn by \$420,000 as at 31 December 2014 (\$1,434,000 in 2013) with the remaining undrawn balance of \$1,580,000 being available for use in the next reporting period. The current overdraft interest rate is 2.65% (ie: RBA based rate plus 0.15%).

Lease Liabilities are effectively secured as the right to the leased assets revert to the lessor in the event of default (refer Note 15). The average lease term is 3.3 years and implicit interest rates range from 5.0% to 11.0% (5.7% to 11.3% in 2013).

Interest on finance leases is recognised as an expense as it accrues.

Non-cash Financing and Investing Activities

Assets acquired through finance leases to the value of \$1,208,000 (\$393,000 in 2013) have not been included in the Cash Flow Statement. These assets are included in Note 16 as Leased Assets.

NOTE 19: ACCRUED EMPLOYEE BENEFITS		
	2014	2013
	\$'000	\$'000
Current		
Annual Leave	189	189
Long Service Leave	221	100
Total Current Accrued Employee Benefits	410	289
Non-Current		
Annual Leave	157	143
Long Service Leave	1,764	1,707
Total Non-Current Accrued Employee Benefits	1,921	1,850
Total Accrued Employee Benefits	2,331	2,139

NOTE 20: OTHER CURRENT LIABILITIES		
	2014	2013
	\$'000	\$'000
Unearned Revenue	562	389
Total Other Current Liabilities	562	389

NOTE 21: ASSET REVALUATION SURPLUS		
	2014	2013
	\$'000	\$'000
Balance as at 1 January	36,665	38,418
Revaluation Increments / (Decrements)	-	(1,753)
Transferred to Accumulated Surplus	(50)	-
Balance as at 31 December	36,615	36,665

NOTE 22: RELATED PARTY TRANSACTIONS

The requirements of AASB 124 "Related Party Disclosures" do not apply to general purposes Financial Statements for not-for-profit public sector entities however the Board of Trustees of Ipswich Grammar School have elected to disclose all transactions between themselves and the entities. Transactions are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

A legal practice, of which Jon Kent a trustee, is a Principal, received \$Nil (\$6,500 in 2013).

NOTE 23: COMMITMENTS FOR EXPENDITURE

	2014 \$'000	2013 \$'000
(a) Finance Lease Liabilities		
Lease Liabilities recognised in the Statement of Financial Position		
Current	312	184
Non-Current	675	85
Total	987	269
Commitments under finance leases at reporting date are inclusive of anticipated GST and are payable as follows:		
Not later than one year	421	218
Later than one year and not later than five years	820	98
Later than five years	-	-
	1,241	316
Less: Anticipated input tax credits	(113)	(29)
Less: Future finance charge	(141)	(18)
TOTAL	987	269
(b) Non-Cancellable Operating Lease		
Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:		
Not later than one year	139	962
Later than one year and not later than five years	21	779
Later than five years	-	160
Total	160	1,901
(c) Other Expenditure Commitments		
Other expenditure committed at the end of the period but not recognised in the accounts are as follows:		
Payable:		
Not later than one year	292	-
Later than one year and not later than five years	-	-
Later than five years	-	-
TOTAL	292	-

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

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

No lease arrangements create restrictions on other financing transactions.

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

NOTE 24: CONTINGENCIES

In the ordinary course of Ipswich Grammar School activities, issues arise which may involve the entity in litigation or commercial negotiation. At the date of this report, there are no matters of significance to be reported.

NOTE 25: EVENTS OCCURRING AFTER BALANCE SHEET

There were no events occurring after balance date which impacts on the Ipswich Grammar School.

NOTE 26: TRUST TRANSACTIONS AND BALANCES

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

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

TRUST ASSETS & LIABILITIES		
	2014	2013
	\$'000	\$'000
Current Assets		
Cash *	772	726
Total	772	726
Trust Revenue and Expenses		
Revenues		
Interest & Prizes	25	29
Deposits Received	76	36
Received from School	-	200
Total	101	265
Expenses		
Prizes	-	-
Deposit Refunds	55	108
Paid to School	-	136
Total	55	244

* Cash represents the following:

Prizes Trust Fund consisting of funds pledged for prize recipients at the School Awards night and includes interest earned.

Deposits Held in Trust are funds received for confirmation of enrolment of students.

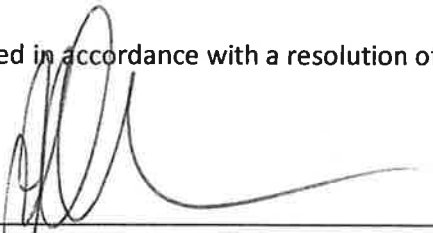
The Funds Owed To School consist of deposits made into the trust account for school fees paid in advance. These fees are payable to the School.

MANAGEMENT CERTIFICATE**FOR THE YEAR ENDED 31 DECEMBER 2014**

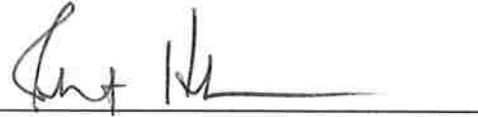
These general purpose Financial Statements have been prepared pursuant to Section 62(1) of the 'Financial Accountability Act 2009' (the Act), relevant sections of the 'Financial and Performance Management Standard 2009' and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

- (a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) The Financial Statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Ipswich Grammar School for the financial year ended 31 December 2014 and of the Financial Position of the entity as at 31 December 2014.

Signed in accordance with a resolution of the Board of Trustees on 29/2/ 2015.



Mr Jon Kent
Chairman of the Board of Trustees
Ipswich Grammar School



Mr Robert Henderson
Headmaster/CEO
Ipswich Grammar School

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the Ipswich Grammar School

Report on the Financial Report

I have audited the accompanying financial report of the Board of Trustees of the Ipswich Grammar School, which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chairman and Headmaster/CEO.

The Board's Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

Independence

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

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

Opinion

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

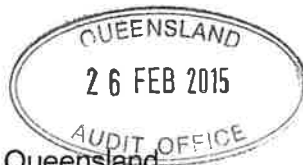
- (a) I have received all the information and explanations which I have required
- (b) in my opinion:
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards – reduced disclosure requirements, of the transactions of the Board of Trustees of the Ipswich Grammar School for the financial year 1 January 2014 to 31 December 2014 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

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



JF Welsh FCPA
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane