



**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

## **GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>Revenue from operating activities</b>			
Tuition Fees and Levies		1,397,306	1,498,451
Grants and Subsidies Received		2,030,955	2,414,217
Interest		9,996	15,821
Other Revenue		408,762	611,203
<b>Revenue from Ordinary Activities</b>		<b>3,847,019</b>	<b>4,539,692</b>
Employee Benefits Expense		(297,743)	(237,950)
Depreciation expense		(483,926)	(545,430)
Levies Paid		(364,386)	(395,225)
Property Expenses		(720,175)	(582,089)
Rental expense		(27,125)	(39,398)
Other expenses from ordinary activities		(1,138,200)	(1,125,261)
Profit or (Loss) on Disposal of Assets		(535,960)	0
Borrowing costs expense		(131,105)	(104,589)
Profit from ordinary activities		148,399	1,509,750
Revenue from Capital Grants		35,450	0
<b>Total changes in accumulated funds</b>		<b>183,849</b>	<b>1,509,750</b>

The above Income Statement should be read in conjunction with the accompanying notes

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**  
**BALANCE SHEET AS AT 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	1,880,844	1,514,178
Trade and Other Receivables	3	27,077	93,202
Other	4	4,264	0
<b>TOTAL CURRENT ASSETS</b>		<u>1,912,185</u>	<u>1,607,380</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	5	<u>21,683,196</u>	<u>20,658,042</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>21,683,196</u>	<u>20,658,042</u>
<b>TOTAL ASSETS</b>		<u><b>23,595,381</b></u>	<u><b>22,265,422</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	6	<u>572,371</u>	<u>376,715</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>572,371</u>	<u>376,715</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	6	<u>2,603,105</u>	<u>1,652,651</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>2,603,105</u>	<u>1,652,651</u>
<b>TOTAL LIABILITIES</b>		<u>3,175,476</u>	<u>2,029,366</u>
<b>NET ASSETS</b>		<u><b>20,419,905</b></u>	<u><b>20,236,056</b></u>
<b>ACCUMULATED FUNDS &amp; RESERVES</b>			
Accumulated Surplus		<u>20,419,905</u>	<u>20,236,056</u>
Total Equity		<u><b>20,419,905</b></u>	<u><b>20,236,056</b></u>

The above Balance Sheet should be read in conjunction with the accompanying notes

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accumulated Surplus at the beginning of the financial year	20,236,056	18,726,306
Net surplus/ (deficit) attributable to the entity	183,849	1,509,750
Accumulated Surplus at the end of the financial year	<u><b>20,419,905</b></u>	<u><b>20,236,056</b></u>

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 \$	2019 \$
Profit from ordinary activities		148,399	1,509,750
<i>Adjustments for:</i>			
Depreciation		483,926	545,430
Decrease in Trade and Other Receivables		61,861	(2,099)
Increase in Trade Payables		63,188	(96,278)
Write off & Profit/Loss on sale of Assets		535,960	0
<b><i>Net Cash Flow from Operating Activities</i></b>		<b><u>1,293,334</u></b>	<b><u>1,956,803</u></b>
Cash flows from Investing Activities			
Revenue from Capital Grants		35,450	0
Capital Expenditure		(2,045,040)	(1,036,294)
<b><i>Net Cash flows from Investing Activities</i></b>		<b><u>(2,009,590)</u></b>	<b><u>(1,036,294)</u></b>
Cash Flows from Financing Activities			
Proceeds from New Loans		1,305,521	0
Repayment of Loans		(222,599)	(209,010)
<b><i>Net Cash Flows from Financing Activities</i></b>		<b><u>1,082,922</u></b>	<b><u>(209,010)</u></b>
 <b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>		 <b>366,666</b>	 <b>711,499</b>
 <b>Cash and Cash Equivalents at Beginning of period</b>	 2	 <b><u>1,514,178</u></b>	 <b><u>802,679</u></b>
<b>Cash and Cash Equivalents at End of period</b>	2	<b><u>1,880,844</u></b>	<b><u>1,514,178</u></b>

# GOOD SHEPHERD CATHOLIC COLLEGE MT ISA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### Note 1. Significant accounting policies

**(a) Basis of preparation**

In the Catholic Education Office, Diocese of Townsville's opinion, Good Shepherd Catholic College Mt Isa (the entity) is not a reporting entity, as there are no users dependent on general purpose financial reports.

These are special purpose financial statements that have been prepared for the purpose of complying with Australian Accounting Standards and the *Australian Charities and Not-for - profits Commission Act 2012* and to meet the needs of management.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which management have determined are appropriate to meet the needs of users. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts in the financial statements have been rounded to the nearest dollar. The accounting policies that have been adopted in the preparation of the statements are as follows:

**(b) Income tax**

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(c) Trade and other receivables**

Accounts receivables and other debtors include amounts due from students as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**(d) Property, plant and equipment**

It is the Catholic Education Office's policy that property, plant and equipment including land and buildings held in the name of the Diocese of Townsville for the benefit and use of the entity are to be recognised as assets of the entity where the cost exceeds \$5,000.

Each class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation. In the event the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in the profit and loss.

The depreciable amount of all fixed assets, including buildings, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The useful lives for each class of depreciable assets are as follows:

<b>Class of Asset</b>	<b>Useful Life</b>
Buildings	50 - 100 years
Plant and equipment	5 - 10 years
Furniture, fixtures & fittings	5 - 10 years
Computer equipment	3 - 5 years
Motor Vehicles	3 - 10 years

## GOOD SHEPHERD CATHOLIC COLLEGE MT ISA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### Note 1. Significant accounting policies

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(e) Impairment of assets**

At the end of each reporting period, management reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

**(f) Accounts payable and other payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(g) 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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

**(i) Revenue and other income**

All revenue is stated net of the amount of goods and services tax.

**(i) School Debtors**

School debtors (fees and levies) are recognised upon the enrolment of the student and issuance of the fees. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. The school applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for school debtors.



## GOOD SHEPHERD CATHOLIC COLLEGE MT ISA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### Note 1. Significant accounting policies

(ii) *Grant Income*

Grants revenue is recognised in profit or loss when the school satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the school is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

For transfers of financial assets to the school which enable it to acquire or construct a recognisable non-financial asset, the entity recognises a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised.

Contract assets are recognised when the school has transferred goods or services to the customer but where the school is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

(iii) *Other Income*

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

(j) **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation in the current financial year.

(k) **Loans from Diocesan Development Fund**

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(l) **Maintenance and repairs**

The costs of maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated.

(m) **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**Note 1. Significant accounting policies**

**(n) Leases**

The school has applied AASB 16 *Leases* to all applicable lease arrangements. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position.

The school is incorporated under the Roman Catholic Trust Corporation for the Diocese of Townsville and has been granted a right of use over several parcels of land owned by the ultimate parent. No or minimal consideration is paid to the ultimate parent in return for this right of use.

AASB 2018-8: *Amendments to Australian Accounting Standards Right-of-Use Assets of Not-for-Profit Entities* provides an option for Not-for-Profit entities to not apply the fair value initial measurement requirements to below-market leases.

The school has exercised the above option and, as a result, the school's below-market leases have not been measured at fair value and have not been recognised as a right-of-use asset as at 31 December 2020.

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2. Cash and Cash Equivalents</b>		
Working Account	1,880,344	1,513,678
Cash on Hand	500	500
	<u><b>1,880,844</b></u>	<u><b>1,514,178</b></u>
<b>Note 3. Trade and Other receivables</b>		
Trade Receivables	119,165	174,025
Less Provision for doubtful debts	<u>(100,000)</u>	<u>(100,000)</u>
	19,165	74,025
GST receivable	7,912	19,177
	<u><b>27,077</b></u>	<u><b>93,202</b></u>
<b>Note 4. Other Assets</b>		
Prepayments	4,264	0

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Note 5. Property, Plant and Equipment</b>		
Land and Buildings - at cost	20,223,909	18,661,039
Land and Buildings - at Valuation	6,140,000	6,140,000
less Accumulated depreciation	<u>(4,816,516)</u>	<u>(4,467,015)</u>
	<u>21,547,393</u>	<u>20,334,024</u>
 Plant and equipment - at cost	 25,768	 35,890
less Accumulated depreciation	<u>(23,544)</u>	<u>(28,169)</u>
	<u>2,224</u>	<u>7,721</u>
 Motor Vehicles - cost	 150,638	 139,610
less Accumulated depreciation	<u>(85,491)</u>	<u>(84,891)</u>
	<u>65,147</u>	<u>54,719</u>
 Computer equipment - at cost	 249,258	 356,474
less Accumulated depreciation	<u>(227,653)</u>	<u>(281,264)</u>
	<u>21,605</u>	<u>75,210</u>
 Furniture, Fixtures & Fittings - at cost	 92,079	 479,853
less Accumulated depreciation	<u>(45,252)</u>	<u>(293,485)</u>
	<u>46,827</u>	<u>186,368</u>
 <b>Total</b>		
Property, Plant and Equipment at Cost or Valuation	26,881,652	25,812,866
less Accumulated depreciation	<u>(5,198,456)</u>	<u>(5,154,824)</u>
	<u><b>21,683,196</b></u>	<u><b>20,658,042</b></u>

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**


	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Note 6. Trade and Other Payables</b>		
<b>Current</b>		
Trade Payables	37,848	18,467
Sundry Payables and Accruals	88,456	44,649
DDF Loans	<u>446,067</u>	<u>313,599</u>
	<u>572,371</u>	<u>376,715</u>
 <b>Non-Current Liabilities - Interest Bearing Liabilities</b>		
DDF Loans	<u>2,603,105</u>	<u>1,652,651</u>


**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**  
**RESPONSIBLE ENTITIES' DECLARATION**

The responsible entities declare that, in the responsible entities' opinion:

- (a) at the date of this declaration, there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they fall due; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

  
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Chris Watts, Senior Finance Manager

  
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Paul Wilson, Finance Administrator

Dated this 12<sup>th</sup> day of May 2021

## GOOD SHEPHERD CATHOLIC COLLEGE MT ISA

### Independent Auditor's Report to the Members of Good Shepherd Catholic College Mt Isa

#### Opinion

We have audited the special purpose financial report of Good Shepherd Catholic College Mt Isa, which comprises the balance sheet as at 31 December 2020, the income statement, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion, the accompanying financial report of Good Shepherd Catholic College Mt Isa has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of Good Shepherd Catholic College Mt Isa's financial position as at 31 December 2020 and of its financial performance and cash flows for the year then ended; and
- (b) complying with the accounting policies described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of Good Shepherd Catholic College Mt Isa in accordance 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling management's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Management's Responsibility for the Financial Report

Management and the Catholic Education Office – Diocese of Townsville are responsible for the preparation of that financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the members. Management and Catholic Education Office – Diocese of Townsville's responsibility also includes such internal control as they determine 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.

In preparing the financial report, the management of the entity and the Catholic Education Office – Diocese of Townsville is responsible for assessing Good Shepherd Catholic College Mt Isa'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 management of the entity and the Catholic Education Office – Diocese of Townsville either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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## GOOD SHEPHERD CATHOLIC COLLEGE MT ISA

### Independent Auditor's Report to the Members of Good Shepherd Catholic College Mt Isa

#### **Auditor's Responsibilities for the Audit of the Financial Report**

Our 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 our 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 the 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance'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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

*Crowe Audit Australia*

**CROWE AUDIT AUSTRALIA**



**Mark Andrejic**

Partner

Townsville, 02 / 06 / 2021