



**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 \$	2016 \$
<b>Revenue from ordinary activities</b>	2	3,376,078	2,946,805
Employee Benefits Expense		(100,452)	(53,805)
Depreciation expense		(531,097)	(532,746)
Levies Paid		(395,859)	(364,676)
Repairs and Maintenance		(199,656)	(222,879)
Rental expense		(32,146)	(32,093)
Other expenses from ordinary activities		(1,491,501)	(1,395,725)
Borrowing costs expense		(159,341)	(177,911)
Profit from ordinary activities		<u>466,026</u>	<u>166,970</u>
<b>Total changes in accumulated funds</b>		<u><u>466,026</u></u>	<u><u>166,970</u></u>

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 2017**

	<b>Note</b>	<b>2017</b> <b>\$</b>	<b>2016</b> <b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	1,511,111	1,108,781
Trade and Other Receivables	4	93,991	138,545
Other	5	27,999	40,803
<b>TOTAL CURRENT ASSETS</b>		<u>1,633,101</u>	<u>1,288,129</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	19,569,586	19,948,320
<b>TOTAL NON-CURRENT ASSETS</b>		<u>19,569,586</u>	<u>19,948,320</u>
<b>TOTAL ASSETS</b>		<u><b>21,202,687</b></u>	<u><b>21,236,449</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	7	606,033	703,705
<b>TOTAL CURRENT LIABILITIES</b>		<u>606,033</u>	<u>703,705</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	7	2,406,449	2,808,565
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>2,406,449</u>	<u>2,808,565</u>
<b>TOTAL LIABILITIES</b>		<u>3,012,482</u>	<u>3,512,270</u>
<b>NET ASSETS</b>		<u><b>18,190,205</b></u>	<u><b>17,724,179</b></u>
<b>ACCUMULATED FUNDS &amp; RESERVES</b>			
Accumulated Surplus	8	18,190,205	17,724,179
Total Equity	9	<u><b>18,190,205</b></u>	<u><b>17,724,179</b></u>

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

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

**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.

The financial statements are therefore special purpose financial statements that have been prepared in order 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 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.

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.

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

**Note 1. Significant accounting policies**

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

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

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 assets and liabilities statement.

**(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.

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

**Note 1. Significant accounting policies**

**(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. A provision for doubtful debts is raised when some doubt as to collection exists.

*(ii) Grant Income*

Grants and other government monies received in advance are brought to account as income over the year for which the grant relates, or as the government monies are earned. Government debtors are settled per the terms and conditions of individual contracts.

If conditions are attached to the grant that must be satisfied before the school is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

*(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.

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

**Note 1. Significant accounting policies**

**(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 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2. Revenue</b>		
<b>Revenue from operating activities</b>		
Tuition Fees and Levies	1,352,272	1,312,186
Grants and Subsidies Received	1,276,751	993,680
Interest	18,890	14,583
Other Revenue	728,165	626,356
<b>Revenue from Ordinary Activities</b>	<b><u>3,376,078</u></b>	<b><u>2,946,805</u></b>
<b>Note 3. Cash and Cash Equivalents</b>		
Working Account	1,510,611	1,108,281
Cash on Hand	500	500
	<b><u>1,511,111</u></b>	<b><u>1,108,781</u></b>
<b>Note 4. Trade and Other receivables</b>		
Trade Receivables	188,766	204,551
Less Provision for doubtful debts	<u>(100,000)</u>	<u>(74,090)</u>
	88,766	130,461
GST receivable	3,636	5,230
Other Debtors	1,589	2,854
	<b><u>93,991</u></b>	<b><u>138,545</u></b>
<b>Note 5. Other Assets</b>		
Prepayments	27,999	40,803

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

	2017 \$	2016 \$
<b>Note 6. Property, Plant and Equipment</b>		
Land and Buildings - at cost	16,725,267	16,637,685
Land and Buildings - at Valuation	6,140,000	6,140,000
less Accumulated depreciation	(3,675,621)	(3,298,185)
	<u>19,189,646</u>	<u>19,479,500</u>
Plant and equipment - at cost	194,506	223,679
less Accumulated depreciation	(182,169)	(173,207)
	<u>12,337</u>	<u>50,472</u>
Motor Vehicles - cost	139,610	218,537
less Accumulated depreciation	(56,969)	(95,313)
	<u>82,641</u>	<u>123,224</u>
Computer equipment - at cost	1,298,720	1,268,187
less Accumulated depreciation	(1,243,544)	(1,191,104)
	<u>55,176</u>	<u>77,083</u>
Furniture, Fixtures & Fittings - at cost	825,447	799,771
Furniture, Fixtures & Fittings - at Valuation	2,178,442	2,178,442
less Accumulated depreciation	(2,774,103)	(2,760,172)
	<u>229,786</u>	<u>218,041</u>
<b>Total</b>		
Property, Plant and Equipment at Cost or Valuation	27,501,992	27,466,301
less Accumulated depreciation	(7,932,406)	(7,517,981)
	<u><b>19,569,586</b></u>	<u><b>19,948,320</b></u>

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

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

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7. Trade and Other Payables</b>		
<b>Current</b>		
Trade Payables	25,588	65,582
Sundry Payables and Accruals	210,141	153,545
DDF Loans	370,304	484,578
	<u>606,033</u>	<u>703,705</u>
 <b>Non-Current Liabilities - Interest Bearing Liabilities</b>		
DDF Loans	<u>2,406,449</u>	<u>2,808,565</u>
 <b>Note 8. Equity</b>		
Total Equity at the beginning of the year	17,724,179	17,557,209
Total changes in equity recognised in the income statement	<u>466,026</u>	<u>166,970</u>
Total Equity at the end of the Financial Year	<u>18,190,205</u>	<u>17,724,179</u>
 <b>Note 9. Accumulated Surplus</b>		
Accumulated Surplus at the beginning of the financial year	17,724,179	17,557,209
Net surplus/ (deficit) attributable to the entity	<u>466,026</u>	<u>166,970</u>
Accumulated Surplus at the end of the financial year	<u>18,190,205</u>	<u>17,724,179</u>

**GOOD SHEPHERD CATHOLIC COLLEGE MT ISA**

**STATEMENT BY MANAGEMENT**

The management of the entity declares that the financial report comprising of the Income Statement, Balance Sheet and Notes to the Financial Statements:

- (a) are appropriate to meet the needs of the Catholic Education Office – Diocese of Townsville and the Finance Committee,
- (b) give a true and fair view of the entity's financial position as at 31 December 2017 and of their performance, as represented by the results of their operations for the financial year ended on that date; and,
- (c) at the date of this statement there are reasonable grounds to believe that the entity will be able to pay its debts as and when they fall due.

For and on behalf of management

  
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Chris Watts, Senior Finance Manager

  
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Paul Wilosn, Finance Administrator

Dated this **27** day of March 2018.

## **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 financial report of Good Shepherd Catholic College Mt Isa, which comprises the balance sheet as at 31 December 2017, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by management.

In our opinion, the financial report of Good Shepherd Catholic College Mt Isa presents fairly, in all material respects the financial position of Good Shepherd Catholic College Mt Isa as of 31 December 2017 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

#### **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 the School 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. 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 and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the management of the entity and the Catholic Education Office – Diocese of Townsville determines is necessary to enable the preparation and fair presentation of a financial report that 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 the School'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.

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

### **Independent Auditor's Report to the Members of Good Shepherd Catholic College Mt Isa (Cont.)**

#### **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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>. This description forms part of our auditor's report.

*Crowe Horwath NQ*

**Crowe Horwath NQ**

*Mark Andrejic*

**Mark Andrejic**  
Partner

Townsville, 27 / 03 / 2018