

TSC Foundation 2017
Consolidated Financial Position

	Building Trust	Education Trust	Scholarship Trust	Total
Donations & Bequests	2,483,445	16,600	930,870	3,430,915
Bank Interest	3,006	4,028	6,288	13,322
Total Revenue	2,486,451	20,628	937,158	3,444,237
Grants & Donations made for use in Australia	-	-	30,000	30,000
Bank Charges	528	-	-	528
Total Expenses	528	-	30,000	30,528
Net Surplus	2,485,923	20,628	907,158	3,413,709
Current Assets	2,513,005	375,875	1,270,018	4,158,898
Non Current Assets	-	-	-	-
Current Liabilities	600	-	200	800
Non Current Liabilities	-	-	-	-
Net Assets	2,512,405	375,875	1,269,818	4,158,098

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

SPECIAL PURPOSE FINANCIAL REPORT

31 DECEMBER 2017

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**SPECIAL PURPOSE FINANCIAL REPORT
31 DECEMBER 2017**

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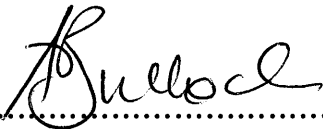
**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**DECLARATION BY THE BOARD OF MANAGEMENT
31 DECEMBER 2017**

In accordance with a resolution of the members of Board of Management of the TSC Building Trust, we state that in the opinion of the Board:

- (a) the Trust is not a reporting entity as defined in the Australian Accounting Standards;
- (b) the financial statements and notes of the Trust are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Trust's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and complying with Australian Charities and Not-for-Profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Management



.....

Andrew Bullock
.....

Signed at Sydney, Dated: 4/4/18

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	2017	2016
	\$	\$
<hr/>		
Revenue		
Interest Income	3,006	647
Donations / Receipts	2,483,445	729,305
	<hr/>	<hr/>
	2,486,451	729,952
	<hr/>	<hr/>
Expenses		
Donation to The Scots College	-	1,122,084
Operating Expenses	528	528
	<hr/>	<hr/>
	528	1,122,612
	<hr/>	<hr/>
Net Operating Surplus/(Deficiency) For the Year	2,485,923	(392,660)
Other Comprehensive Income	-	-
	<hr/>	<hr/>
Total Comprehensive Surplus/(Deficiency) For the Year	2,485,923	(392,660)
	<hr/>	<hr/>

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	2017	2016
	\$	\$
Current Assets		
Cash at Bank	2,511,660	25,291
Bank Term Deposit	1,220	1,191
Other Receivable – The Scots College	125	-
Total Current Assets	<u>2,513,005</u>	<u>26,482</u>
Total Assets	<u>2,513,005</u>	<u>26,482</u>
Current Liabilities		
Other Payables – The Education Trust	500	-
Other Payables – The Scholarship Trust	100	-
Total Current Liabilities	<u>600</u>	<u>-</u>
Net Assets	<u>2,512,405</u>	<u>26,482</u>
Trust funds at the beginning of the year	26,482	419,142
Net (Deficiency)/Surplus for the year	2,485,923	(392,660)
Trust Funds at the end of the year	<u>2,512,405</u>	<u>26,482</u>

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
Operating Cash Flows		
Receipts from parents and donors	2,483,445	729,305
Payments to The Scots College	-	(1,128,004)
Payments to suppliers, employees and others	(53)	(528)
Interest received	3,006	647
Net cash flows from/(used in) operating activities	2,486,398	(398,580)
Investing Cash Flows		
Net cash flows from investing activities	-	-
Financing Cash Flows		
Net cash flows from financing activities	-	-
Net increase/(decrease) in cash held	2,486,398	(398,580)
Cash and cash equivalents at the beginning of the financial year	26,482	425,062
Cash at the end of the financial year	2,512,880	26,482
	2017	2016
	\$	\$
Statement of Cash Flows - Reconciliation		
Net Surplus/(Deficit) For the Year	2,485,923	(392,660)
Changes in Operating assets and liabilities		
(Increase)/Decrease in Receivables and Contributions	(125)	10,000
Increase/(Decrease) in Other Payables	600	(15,920)
Net cash used in operating activities	2,486,398	(398,580)

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	Trust Funds	Total
At 1 January 2016	419,142	419,142
Surplus/(Deficit) for the year	(392,660)	(392,660)
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>26,482</u>	<u>26,482</u>
At 31 December 2016		
Surplus/(Deficit) for the year	2,485,923	2,485,923
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>2,512,405</u>	<u>2,512,405</u>
At 31 December 2017		

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This special purpose financial report has been prepared for distribution to the Council of The Building Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation to fulfill the Council’s financial reporting requirements under the Trust Deed. The accounting policies used in the preparation of this financial report, as described below, are, in the opinion of the directors’, appropriate to meet the needs of members:

- (i) The financial report has been prepared on an historical cost basis and the going concern assumption.
- (ii) The Building Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation is registered with the Australian Charities and Not for Profit Commission. However, as it is below the threshold for reporting, it is not considered a “reporting entity”. The Board of Management have determined that in order for the financial report to present fairly the Trust’s performance, and financial position, the Trust has complied with the minimum accounting standards required to comply with ACNC Regulations, namely:
 - AASB 101, Presentation of Financial Statements
 - AASB 107, Statement of Cash Flows
 - AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors
 - AASB 1031, Materiality
 - AASB 1048, Interpretation of Standards
 - AASB 1054, Australian Additional Disclosures.

And has complied with Accounting Standards and other financial reporting requirements in Australia relating to the measurement of assets, liabilities, revenues, expenses and equity. Accordingly, the Board of Management has prepared the financial report in accordance with Accounting Standards and other financial reporting requirements in Australia with the following exceptions:

AASB 7: Financial Instruments: Disclosures
AASB 110: Events after the Reporting Period
AASB 124: Related Party Disclosures
AASB 132: Financial Instruments: Presentation

**THE BUILDING TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) New accounting standards and interpretations

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 31 December 2017. The Council has not early adopted any of these new or amended standards or interpretations. The Council has not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Trust) and interpretations.

(c) Cash and cash equivalents

Cash in the Statement of Financial Position comprise cash at bank and short term deposits which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(d) Receivables

Receivables are carried at original invoice amount less an allowance for impairment. Collectability of receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified.

(e) Other payables

Other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these good and services.

(f) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured.

(g) Audit fee

The audit fee applicable to The Building Trust has been absorbed into the audit fee paid by The Scots College.



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Report to the Board of Management of the Building Trust (Administered by the Scots College Foundation)

Opinion

We have audited the financial report, being a special purpose financial report, of the Building Trust (Administered by the Scots College Foundation) (the 'registered entity'), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Declaration by the Board of Management.

In our opinion, the accompanying financial report of the registered entity is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and 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 the registered entity 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 statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board of 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.

Responsibilities of the Board of Management for the Financial Report

The Board of Management of the registered entity is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the Board of Management. The Board of Management's responsibility also includes such internal control as the Board of Management 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 Board of Management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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 judgment and maintain professional scepticism throughout the audit. We also:

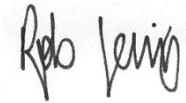
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Conclude on the appropriateness of the Board of Management'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 registered 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 our auditor's report. However, future events or conditions may cause the registered 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 the Board of Management 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 our audit.



Ernst & Young



Rob Lewis
Partner
Sydney
4 April 2018



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Board of Management of Building Trust (Administered by the Scots College Foundation)

In relation to our audit of the financial report of The Building Trust (Administered by the Scots College Foundation) for the financial year ended 31 December 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rob Lewis'.

Rob Lewis
Partner
4 April 2018

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

SPECIAL PURPOSE FINANCIAL REPORT

31 DECEMBER 2017

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**SPECIAL PURPOSE FINANCIAL REPORT
31 DECEMBER 2017**

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**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**DECLARATION BY THE BOARD OF MANAGEMENT
31 DECEMBER 2017**

In accordance with a resolution of the members of Board of Management of the TSC Education Trust, we state that in the opinion of the Board:

- (a) the Trust is not a reporting entity as defined in the Australian Accounting Standards;
- (b) the financial statements and notes of the Trust are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Trust's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and complying with Australian Charities and Not-for-Profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Management



.....

Andrew Bullak

.....

Signed at Sydney, Dated: 4/4/18

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	2017	2016
	\$	\$
Revenue		
Interest Income	4,028	782
Donations	16,600	269,844
	<u>20,628</u>	<u>270,626</u>
Expenses		
Donation to The Scots College	-	-
	<u>20,628</u>	<u>270,626</u>
Net Operating Surplus For the Year	20,628	270,626
Other Comprehensive Income	-	-
Total Comprehensive Surplus For the Year	<u>20,628</u>	<u>270,626</u>

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	2017	2016
	\$	\$
Current Assets		
Cash at Bank	364,941	78,866
Bank Term Deposit	7,462	7,279
Other Receivable – The Scots College	2,772	269,844
Other Receivable – The Scholarship Trust	200	-
Other Receivable – The Building Trust	500	-
	<hr/>	<hr/>
Total Current Assets	375,875	355,989
	<hr/>	<hr/>
Total Assets	375,875	355,989
	<hr/>	<hr/>
Current Liabilities		
Other Payables	-	742
	<hr/>	<hr/>
Total Current Liabilities	-	742
	<hr/>	<hr/>
Net Assets	375,875	355,247
	<hr/>	<hr/>
Trust funds at the beginning of the year	355,247	84,621
Net Surplus for the year	20,628	270,626
	<hr/>	<hr/>
Trust Funds at the end of the year	375,875	355,247
	<hr/>	<hr/>

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
Operating Cash Flows		
Receipts from parents and donors	16,600	269,844
Payments from/to The Scots College	267,073	(192,094)
Payments to suppliers, employees and others	(1,443)	(10)
Interest received	4,028	782
Net cash flows from operating activities	286,258	78,522
Investing Cash Flows		
Net cash flows from investing activities	-	-
Financing Cash Flows		
Net cash flows from financing activities	-	-
Net increase in cash held	286,258	78,522
Cash and cash equivalents at the beginning of the financial year	86,145	7,623
Cash at the end of the financial year	372,403	86,145
Statement of Cash Flows - Reconciliation		
	2017	2016
	\$	\$
Net Surplus For the Year	20,628	270,626
Changes in Operating assets and liabilities		
(Increase)/Decrease in Receivables and Contributions	266,373	(192,094)
(Increase)/Decrease in Accrued Interest Income	-	-
Increase/(Decrease) in Other Payables	(743)	(10)
Net cash from operating activities	286,258	78,522

THE EDUCATION TRUST

**THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	Trust Funds	Total
At 1 January 2016	84,621	84,621
Surplus for the year	270,626	270,626
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>355,247</u>	<u>355,247</u>
At 31 December 2016		
Surplus for the year	20,628	20,628
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>375,875</u>	<u>375,875</u>
At 31 December 2017		

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This special purpose financial report has been prepared for distribution to the Council of The Education Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation to fulfill the Council’s financial reporting requirements under the Trust Deed. The accounting policies used in the preparation of this financial report, as described below, are, in the opinion of the directors’, appropriate to meet the needs of members:

- (i) The financial report has been prepared on an historical cost basis and the going concern assumption.
- (ii) The Education Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation is registered with the Australian Charities and Not for Profit Commission. However, as it is below the threshold for reporting, it is not considered a “reporting entity”. The Board of Management have determined that in order for the financial report to present fairly the Trust’s performance, and financial position, the Trust has complied with the minimum accounting standards required to comply with ACNC Regulations, namely:
 - AASB 101, Presentation of Financial Statements
 - AASB 107, Statement of Cash Flows
 - AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors
 - AASB 1031, Materiality
 - AASB 1048, Interpretation of Standards
 - AASB 1054, Australian Additional Disclosures.

And has complied with Accounting Standards and other financial reporting requirements in Australia relating to the measurement of assets, liabilities, revenues, expenses and equity. Accordingly, the Board of Management has prepared the financial report in accordance with Accounting Standards and other financial reporting requirements in Australia with the following exceptions:

AASB 7: Financial Instruments: Disclosures
AASB 110: Events after the Reporting Period
AASB 124: Related Party Disclosures
AASB 132: Financial Instruments: Presentation

**THE EDUCATION TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) New accounting standards and interpretations

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 31 December 2017. The Council has not early adopted any of these new or amended standards or interpretations. The Council has not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Trust) and interpretations.

(c) Cash and cash equivalents

Cash in the Statement of Financial Position comprise cash at bank and short term deposits which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(d) Receivables

Receivables are carried at original invoice amount less an allowance for impairment. Collectability of receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified.

(e) Other payables

Other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these good and services.

(f) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured.

(g) Audit fee

The audit fee applicable to The Education Trust has been absorbed into the audit fee paid by The Scots College.



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Report to the Board of Management of the Education Trust (Administered by Scots College Foundation)

Opinion

We have audited the financial report, being a special purpose financial report, of the Education Trust (Administered by the Scots College Foundation) (the 'registered entity'), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Statement by the Board of Management.

In our opinion, the accompanying financial report of the registered entity is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and 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 the registered entity 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 statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board of 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.

Responsibilities of the Board of Management for the Financial Report

The Board of Management of the registered entity is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the Board of Management. The Board of Management's responsibility also includes such internal control as the Board of Management 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 Board of Management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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 judgment and maintain professional scepticism throughout the audit. We also:

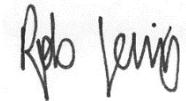
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 Registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Conclude on the appropriateness of the Board of Management'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 registered 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 our auditor's report. However, future events or conditions may cause the registered 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 the Board of Management 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 our audit.



Ernst & Young



Rob Lewis
Partner
Sydney
4 April 2018



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Board of Management of Education Trust (Administered by the Scots College Foundation)

In relation to our audit of the financial report of The Education Trust (Administered by the Scots College Foundation) for the financial year ended 31 December 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Rob Lewis' in a cursive style.

Rob Lewis
Partner
4 April 2018

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

SPECIAL PURPOSE FINANCIAL REPORT

31 DECEMBER 2017

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**SPECIAL PURPOSE FINANCIAL REPORT
31 DECEMBER 2017**

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Statement of Cash Flows	6
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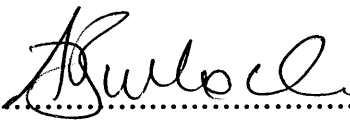
**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

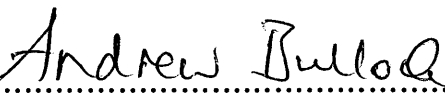
**DECLARATION BY THE BOARD OF MANAGEMENT
31 DECEMBER 2017**

In accordance with a resolution of the members of Board of Management of the TSC Scholarship Trust, we state that in the opinion of the Board:

- (a) the Trust is not a reporting entity as defined in the Australian Accounting Standards;
- (b) the financial statements and notes of the Trust are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Trust's financial position as at 31 December 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and complying with Australian Charities and Not-for-Profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Management


.....


.....

Signed at Sydney, Dated:

4/4/18

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	2017	2016
	\$	\$
Revenue		
Interest Income	6,288	3,674
Donations	930,870	218,317
	<u>937,158</u>	<u>221,991</u>
Expenses		
Donation to The Scots College	30,000	13,317
	<u>907,158</u>	<u>208,674</u>
Net Operating Surplus For The Year	907,158	208,674
Other Comprehensive Income	-	-
Total Comprehensive Profit For The Year	<u><u>907,158</u></u>	<u><u>208,674</u></u>

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

	2017	2016
	\$	\$
Current Assets		
Cash at Bank	1,128,056	19,381
Bank Term Deposit	141,762	138,279
Other Receivable – The Scots College	100	205,000
Other Receivable – The Building Trust	100	-
Total Current Assets	<u>1,270,018</u>	<u>362,660</u>
Total Assets	<u>1,270,018</u>	<u>362,660</u>
Current Liabilities		
Other Payables – The Education Trust	200	-
Total Current Liabilities	<u>200</u>	<u>-</u>
Net Assets	<u>1,269,818</u>	<u>362,660</u>
Trust funds at the beginning of the year	362,660	153,986
Trust funds - settled sum	-	-
Net Surplus for the year	<u>907,158</u>	<u>208,674</u>
Trust Funds at the end of the year	<u>1,269,818</u>	<u>362,660</u>

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017	2016
	\$	\$
Operating Cash Flows		
Receipts from parents and donors	930,870	218,317
Receipts / (Payments) to The Scots College	204,900	(188,444)
Donations paid to The Scots College	(30,000)	(13,317)
Payments to suppliers, employees and others	100	10
Interest received	6,288	3,674
Net cash flows used in operating activities	1,112,158	20,240
Investing Cash Flows		
Net cash flows from investing activities	-	-
Financing Cash Flows		
Net cash flows from financing activities	-	-
Net increase in cash held	1,112,158	20,240
Cash and cash equivalents at the beginning of the financial year	157,660	137,420
Cash at the end of the financial year	1,269,818	157,660
Statement of Cash Flows - Reconciliation		
	2017	2016
	\$	\$
Net Surplus For The Year	907,158	208,674
Changes in Operating assets and liabilities		
(Increase)/Decrease in Receivables	204,800	(188,434)
Increase/(Decrease) in Other Payables	200	-
Net cash used in operating activities	1,112,158	20,240

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

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

	Trust Funds	Total
At 1 January 2016	153,986	153,986
Surplus for the year	208,674	208,674
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>362,660</u>	<u>362,660</u>
At 31 December 2016		
Surplus for the year	907,158	907,158
Other Comprehensive Income	-	-
Total comprehensive income for the year	<u>907,158</u>	<u>907,158</u>
At 31 December 2017	<u>1,269,818</u>	<u>1,269,818</u>

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

This special purpose financial report has been prepared for distribution to the Council of The Scholarship Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation to fulfill the Council’s financial reporting requirements under the Trust Deed. The accounting policies used in the preparation of this financial report, as described below, are, in the opinion of the directors’, appropriate to meet the needs of members:

- (i) The financial report has been prepared on an historical cost basis and the going concern assumption.
- (ii) The Scholarship Trust of The Presbyterian Church (NSW) Property Trust – Trustee administered by The Scots College Foundation is registered with the Australian Charities and Not for Profit Commission. However, as it is below the threshold for reporting, it is not considered a “reporting entity”. The Board of Management have determined that in order for the financial report to present fairly the Trust’s performance, and financial position, the Trust has complied with the minimum accounting standards required to comply with ACNC Regulations, namely:
 - AASB 101, Presentation of Financial Statements
 - AASB 107, Statement of Cash Flows
 - AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors
 - AASB 1031, Materiality
 - AASB 1048, Interpretation of Standards
 - AASB 1054, Australian Additional Disclosures.

And has complied with Accounting Standards and other financial reporting requirements in Australia relating to the measurement of assets, liabilities, revenues, expenses and equity. Accordingly, the Board of Management has prepared the financial report in accordance with Accounting Standards and other financial reporting requirements in Australia with the following exceptions:

AASB 7: Financial Instruments: Disclosures
AASB 110: Events after the Reporting Period
AASB 124: Related Party Disclosures
AASB 132: Financial Instruments: Presentation

**THE SCHOLARSHIP TRUST
THE PRESBYTERIAN CHURCH (NSW) PROPERTY TRUST – TRUSTEE
(ADMINISTERED BY THE SCOTS COLLEGE FOUNDATION)**

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

(b) New accounting standards and interpretations

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Trust for the annual reporting period ended 31 December 2017. The Council has not early adopted any of these new or amended standards or interpretations. The Council has not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Trust) and interpretations.

(c) Cash and cash equivalents

Cash in the Statement of Financial Position comprise cash at bank and short term deposits which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(d) Receivables

Receivables are carried at original invoice amount less an allowance for impairment. Collectability of receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified.

(e) Other payables

Other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these good and services.

(f) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured.

(g) Audit fee

The audit fee applicable to The Scholarship Trust has been absorbed into the audit fee paid by The Scots College.

Independent Auditor's Report to the Board of Management of the Scholarship Trust (Administered by the Scots College Foundation)

Opinion

We have audited the financial report, being a special purpose financial report, of the Scholarship Trust (Administered by the Scots College Foundation) (the 'registered entity'), which comprises the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Statement of Board of Management.

In our opinion, the accompanying financial report of the registered entity is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the registered entity's financial position as at 31 December 2017 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and 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 the registered entity 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 statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board of 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.

Responsibilities of the Board of Management for the Financial Report

The Board of Management of the registered entity is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the Board of Management. The Board of Management's responsibility also includes such internal control as the Board of Management 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 Board of Management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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 judgment and maintain professional scepticism throughout the audit. We also:

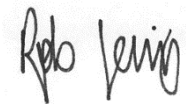
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Conclude on the appropriateness of the Board of Management'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 registered 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 our auditor's report. However, future events or conditions may cause the registered 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 the Board of Management 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 our audit.



Ernst & Young



Rob Lewis
Partner
Sydney
4 April 2018



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Board of Management of Scholarship Trust (Administered by the Scots College Foundation)

In relation to our audit of the financial report of The Scholarship Trust (Administered by the Scots College Foundation) for the financial year ended 31 December 2017, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rob Lewis'.

Rob Lewis
Partner
4 April 2018