

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN 77 142 270 315

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2018

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN: 77 142 270 315

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THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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COUNCIL REPORT

The Council of the St John's College presents:

Its report together with the financial report of the Body Politic and Corporate by the name of The Rector and Fellows of St John's College ("the College") for the year ended 31 December 2018 and the audit report thereon.

Mission Statement

"St Johns College will provide a spiritual, intellectual, cultural and sporting environment in a Catholic College setting for the preparation and growth of a diverse range of authentic, young leaders while making a distinctive contribution to the Sydney University and the broader community."

The Fellows of St John's College Council

The Council of St John's College in the year to 31 December 2018 comprised:

<i>Name</i>	<i>Occupation</i>	<i>Years as a Member of Council</i>
Dr. Bernadette Tobin AO, GCSG	Academic	6
Mr. Adrian Diethelm	Rector	6
Professor Marie Carroll	Academic	6
Professor James Franklin	Academic	6
Professor Anthony Shannon AM, KCHS	Academic	6
Mr. Joseph Hayes	Chartered Accountant	6
Mr. Matthew Gordon	Company Director	6
Mrs. Christine Liddy AO	Company Director	9
Sister Giovanni Farquer	Sister of Religion	6
The Hon. Kenneth Handley AO, OSTJ	Retired Judge	6
Mr. Daniel Hill	Chaplain	6
Rev. Fr. Peter Williams	Priest	10
Fr. Gerald Gleeson	Priest	6
Fr. Daniel Meagher	Priest	6
Fr. Brendan Purcell	Priest	6
Mr. Khan Horne	Company Executive	4
Bishop Richard Umbers	Priest	2
Fr. Dominic Murphy	Priest	2
Mr. David Pacey	University Administrator	2

The above-named Fellows held office during the whole financial year.

COUNCIL REPORT (Continued)

Principal Activities

The principal activity of the College during the course of the financial year was that of a Catholic co-residential college within The University of Sydney. The ancillary activities of the College is as an Endowment Fund which incorporates a Scholarship Fund, a Library Fund and a Building Conservation and Heritage Fund, a car park and a commercial rental property.

There were no significant changes in the nature of activities of the College during the year.

Council and Committee Meetings

There are also a number of Committees and Working Parties which have been set in order to support the College in achieving its objectives. All Committees have the Chairman of the College as an ex officio member; include the Rector as a member and current Fellows as the majority of members. In addition, each Committee can request specific staff members to attend and/or report to the Committees as required.

For the year ended 31 December 2018 the Committees and Working Parties active are as follows:

Finance & Risk Committee (Chair – Mr. Joseph Hayes)
Student Relations Committee (Chair – -Rev. Fr. Peter Williams)
Remuneration Committee (Chair – Dr. Bernadette Tobin)
Building & Works Advisory Group (Chair – Mr. Matthew Gordon)

Result and Review of Operations

The consolidated operating surplus amounted to \$1,455,113 (2017: Surplus \$2,659,390).

State of Affairs

In the opinion of the Council there were no significant changes in the state of affairs of the College that occurred during the financial year under review not otherwise disclosed in this report or in the financial statements.

Events Subsequent to Reporting Period

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Council, to affect significantly the operations of the College, the results of those operations, or the state of affairs of the College in future financial years.

Councillor's Benefits

Any transactions between the College and Council members and/or the related organisations are on normal commercial terms. For the year ended 31 December 2018 no such transactions were incurred.

COUNCIL REPORT (Continued)

Indemnification and Insurance of Members of the College Council

Indemnification

Since the end of the previous financial year, the Council has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been a member of Council. No agreement or indemnification against a liability has been made to the auditors.

During the financial year, the College has paid insurance premiums (Directors' & Officers' insurance) in respect of members of Council. Such insurance contracts insure against certain liability of persons who are or have been members of Council.

Signed in accordance with a resolution of the Council:



Mr Adrian Diethelm-Rector
Member of St John's College Council



Mr Matthew Gordon-Fellow
Member of St John's College Council

Dated at Sydney: 3 JUNE 2019.

VJR
V.J. RYAN
& CO
CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

The Rector and Fellows of St. Johns College
Sydney University
10 Missenden Road
CAMPERDOWN NSW 2050

Dear Rector and Fellows

Audit Independence Declaration

In relation to our audit of the financial report of The Rector and Fellows of St. Johns College for the year ended 31 December 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* or any applicable code of professional conduct.



V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000



Partner: James Ryan

Dated at Sydney: 3 June 2019

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN: 77 142 270 315

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 \$	2017 \$
REVENUE			
Student Residential Fee Revenue		6,579,413	6,382,454
Other Accommodation & Function Income		340,334	402,827
Lease Income		318,520	279,148
Parking Fees		1,410,398	1,395,105
Income from Interest & Investments		598,329	507,693
Gain/(Loss) on sale of Investment & Mkt movement		(360,713)	349,054
Donations & Bequests Received		205,544	346,054
Sundry Income		<u>123,907</u>	<u>104,539</u>
	2	<u>9,215,732</u>	<u>9,767,252</u>
EXPENSES			
Administration Expenses		547,257	430,737
Catering, Cleaning & Outgoings Costs		1,949,034	1,882,743
Depreciation	3	657,846	618,335
Employment Costs (Including Wages)		2,307,793	1,952,936
Facility Costs		680,629	648,152
Insurance		142,542	149,714
IT Costs		165,680	110,198
Legal Costs		116,135	61,831
Car Park Related Expenses		136,392	241,859
Professional Fees		141,295	186,143
Other Student Related Expenses		625,260	541,033
Services & Utilities		269,806	245,894
Sundry Expenses		<u>20,950</u>	<u>38,287</u>
		<u>7,760,619</u>	<u>7,107,862</u>
SURPLUS FOR THE PERIOD BEFORE TAX		1,455,113	2,659,390
Income Tax Expenses		<u>-</u>	<u>-</u>
		1,455,113	2,659,390
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,455,113</u>	<u>2,659,390</u>

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
 ABN: 77 142 270 315

STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2018

	Note	2018 \$	2017 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	3,076,831	4,531,630
Trade and Other Receivables	5	283,424	295,731
Other Assets	6	145,799	116,722
Total Current Assets		<u>3,506,054</u>	<u>4,944,083</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	95,285,694	91,716,816
Works of Art and Antiques	8	4,776,123	4,743,100
Financial Assets	9	5,675,862	6,916,835
Total Non-Current Assets		<u>105,737,679</u>	<u>103,376,751</u>
Total Assets		<u>109,243,733</u>	<u>108,320,834</u>
CURRENT LIABILITIES			
Trade and Other Payables	10	433,863	849,855
Provisions	11	107,355	103,598
Other Liabilities	12	251,898	348,467
Total Current Liabilities		<u>793,116</u>	<u>1,301,920</u>
NON-CURRENT LIABILITIES			
Provisions	11	41,896	32,560
Other Liabilities	12	434,150	466,896
Total Non-Current Liabilities		<u>476,046</u>	<u>499,456</u>
Total Liabilities		<u>1,269,162</u>	<u>1,801,376</u>
Net Assets		<u>107,974,571</u>	<u>106,519,458</u>
EQUITY			
Retained Earnings		36,523,991	35,068,878
Reserves	13	71,450,580	71,450,580
Total Equity		<u>107,974,571</u>	<u>106,519,458</u>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 \$	2017 \$
Cash flow from Operating Activities			
Income from Students		6,129,760	6,003,664
Income from Parking Fees & Leased Premises		1,602,853	1,415,045
Income from Other Accommodation & Functions		352,084	402,827
Donations and Bequests		205,544	346,054
Other Income		18,893	104,539
Payments to Suppliers		(4,543,490)	(3,842,565)
Payments to Employees		<u>(2,317,055)</u>	<u>(1,929,520)</u>
Net Cash Provided by Operating Activities	16	1,448,588	2,500,395
Cash flow from Investing Activities			
Dividends & Interest		591,200	502,159
Distribution from Investments		2,000,000	-
Payment for Investments		(1,119,740)	(657,118)
Payments for Plant and Equipment		<u>(4,374,847)</u>	<u>(2,266,674)</u>
Net Cash (Used in) Investing Activities		<u>(2,903,387)</u>	<u>(2,421,633)</u>
Net Decrease in Cash Held		(1,454,799)	76,410
Opening Balance 1 January		<u>4,531,630</u>	<u>4,452,869</u>
Closing Balance 31 December	4	<u>3,076,831</u>	<u>4,531,630</u>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Retained Reserves \$	Total Earnings \$	Equity \$
Balance at 1 January 2017		71,450,580	32,409,488	103,860,068
Surplus for the Year		-	2,659,390	2,659,390
Other Comprehensive Income		-	-	-
Balance at 31 December 2017		71,450,580	35,068,878	106,519,458
Surplus for the Year		-	1,455,113	1,455,113
Other Comprehensive Income		-	-	-
Balance at 31 December 2018		<u>71,450,580</u>	<u>36,523,991</u>	<u>107,974,571</u>

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies adopted in the preparation of this financial report are:

(a) **Basis of Preparation**

The members of the College Council have prepared the financial report on the basis that the College is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial statement is therefore a special purpose financial report that has been prepared in order to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and for distribution to the members of the College Council.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board under the reporting requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*. The College is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The accounting policies used in the preparation of this report as described below are consistent with the financial reporting requirements of the College and are in the opinion of the Council appropriate to meet the needs of the users identified above.

(b) **Income Tax**

In accordance with the provisions of the *Australian Income Tax Assessment Act 1997*, the College is exempt from income tax.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the accrued benefits will flow to the College. The following specific recognition criteria also apply before revenue is recognised:

- Student residential and functions income is recognised when the fee in respect of the service provided is receivable.
- Lease and parking income is recognised on an accruals basis.
- Movements in the market value of investments are reflected in the Profit or Loss in the reporting period in which it occurs.
- Interest income is recognised as it occurs.
- Cash and other donations are recognised on a receipts basis.

(d) **Cash and Cash Equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash on hand and at bank and short-term deposits.

(e) **Trade and Other Receivables**

The collectability of debts is assessed at the reporting date and specific provision is made for any doubtful debts.

(f) **Shares and Investments**

Shares and investments comprise Australian public companies and other securities. Investments are valued at the year-end market price and the unrealised movement in the market value during the accounting year is reflected in the surplus in the current year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) **Property, Plant and Equipment**

Property, plant and equipment are stated at cost and independent valuation less accumulated depreciation and any impairment in value.

The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated on a straight-line basis over the estimated useful life commencing from the time the asset is ready for use as follows:

Computer Equipment	3 years
Furniture and Fittings	5 years
Catering Equipment	10 years
Office Equipment	5 years
Student Accommodation Buildings	150 years
Other Buildings	30 – 40 years

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

(h) **Impairment of Financial Assets**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that the asset may be impaired. A financial asset is considered impaired if the evidence indicates one or more events have had a negative effect on the estimated future cash inflows of that asset.

(i) **Impairment of Non-Financial Assets**

At each reporting date, the company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(j) **Trade and Other Payables**

Trade and other payables are recognised when the College becomes obliged to make future payments resulting from the purchase of goods and services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) **Employee Entitlements**

Short-term employee benefits are benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. Long Service Leave benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

(l) **Goods and Service Tax**

Revenue, expenses and assets are recognised net of the amounts of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

(m) **Critical Accounting Estimates and Judgements**

The Council evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the College.

Key estimates:

Impairment

The freehold land and buildings were independently valued at 31 December 2015 by Knight Frank (Registered Valuer No. VAL3658). The valuation was based on the fair value. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the determination of the highest and best use and the recent sales data for similar properties. The valuation resulted in a revaluation increment of \$66,986,165 million being recognised for the year ended 31 December 2015.

At 31 December 2018, the Council reviewed the key assumptions made by the valuers at 31 December 2015. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying amount does not exceed the recoverable amount of land and buildings at 31 December 2018.

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN: 77 142 270 315

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
2. REVENUE		
Student Residential Fee Revenue	6,579,414	6,382,454
Interest Income		
St John's College	56,941	113,402
Endowment Fund	59,895	47,433
Lease Income	318,520	279,148
Parking Fees	1,410,398	1,395,105
Conferences and Visitor Accommodation	253,141	288,589
External Functions	32,503	31,029
Apartment Accommodation	54,690	83,208
Donations and Funding Received		
St John's College	-	-
Endowment Fund		
Scholarship Fund	131,294	305,304
Library Fund (Nagle Bequest)		-
Building & Heritage Fund	74,250	40,750
Sundry Income	123,907	104,539
Investment Income	<u>120,779</u>	<u>696,290</u>
	<u>9,215,732</u>	<u>9,767,252</u>
3. OPERATING SURPLUS		
Operating Surplus has been arrived at after charging / (crediting) the following items:		
Depreciation on:		
Computer & Equipment	133,865	148,497
Furniture & Fittings	72,356	66,410
Catering Equipment	9,279	9,325
Buildings	<u>442,346</u>	<u>394,103</u>
	<u>657,846</u>	<u>618,335</u>
Movements in Provisions:		
Annual & Long Service Leave	<u>13,092</u>	<u>23,416</u>
Doubtful Debts	<u>(5,759)</u>	<u>(19,332)</u>

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
4. CASH AND CASH EQUIVALENTS		
Current		
St John's College	2,845,629	3,708,249
Endowment Fund		
JBWere Cash Trust	224,081	819,825
Scholarship Fund	6,234	2,556
Library Fund	542	717
Building Conservation and Heritage Fund	345	283
	<u>3,076,831</u>	<u>4,531,630</u>
5. TRADE AND OTHER RECEIVABLES		
Current		
Trade Debtors and Other Receivables	283,424	301,490
Provision for Doubtful Debts	-	(5,759)
	<u>283,424</u>	<u>295,731</u>
6. OTHER ASSETS		
Current		
Prepayments	<u>145,799</u>	<u>116,723</u>

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
7. PROPERTY, PLANT AND EQUIPMENT		
Non-Current		
Land - at Fair Value as at 1 January 2015	62,500,000	62,500,000
Computer and Other Equipment - at Cost	766,914	859,195
Less: Accumulated Depreciation	<u>426,678</u>	<u>496,441</u>
	<u>340,236</u>	<u>362,754</u>
Furniture and Fittings - at Cost	718,630	785,215
Less: Accumulated Depreciation	<u>426,384</u>	<u>456,624</u>
	<u>292,245</u>	<u>328,591</u>
Catering Equipment - at Cost	112,578	112,578
Less: Accumulated Depreciation	<u>99,334</u>	<u>90,055</u>
	<u>13,243</u>	<u>22,523</u>
Buildings & Improvements - at Fair Value as at 1 Jan 2015	69,867,500	69,867,500
Less: Accumulated Depreciation	<u>45,496,960</u>	<u>45,218,333</u>
	<u>24,370,540</u>	<u>24,649,167</u>
Building Improvements after 1 Jan 2015 - at Cost	7,888,368	3,336,716
Less: Accumulated Depreciation	<u>422,742</u>	<u>259,022</u>
	<u>7,465,626</u>	<u>3,077,694</u>
Capital WIP	<u>303,802</u>	<u>776,087</u>
Total Property, Plant and Equipment	<u>95,285,694</u>	<u>91,716,816</u>

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
8. WORKS OF ART AND ANTIQUES		
Non-Current		
Works of Art and Antiques	<u>4,776,123</u>	<u>4,743,099</u>
<p>The Colleges Works of Art and Antiques were valued in February 2016 by an Independent Valuer Peter Marekja of James R Lawson Pty Limited Auctioneers and Valuers. The valuation was carried out on the basis of replacement value for the purposes of assessing the Colleges insurance requirements for each individual work of art and antique. The movement in Work of Art and Antiques valuation compared to previous year of \$33,024 relates to conservation work carried out during the year.</p>		
9. FINANCIAL ASSETS		
Non-Current		
Shares at Market value	3,314,740	4,443,991
Fixed Interest Term Deposits at Market Value	<u>2,361,122</u>	<u>2,472,844</u>
	<u>5,675,862</u>	<u>6,916,835</u>
10. TRADE AND OTHER PAYABLES		
Current		
Trade Creditors	296,825	715,512
Other Payables & Accruals	<u>137,038</u>	<u>134,343</u>
	<u>433,863</u>	<u>849,855</u>
11. PROVISIONS		
Current		
Annual Leave	<u>107,355</u>	<u>103,598</u>
Non-Current		
Long Service Leave	<u>41,896</u>	<u>32,560</u>
12. OTHER LIABILITIES		
Current		
Income Received in Advance	25,898	101,967
Refundable Bonds and Other Liabilities	<u>226,000</u>	<u>246,500</u>
	<u>251,898</u>	<u>348,467</u>
Non-Current		
Refundable Bonds and Other Liabilities	<u>434,150</u>	<u>466,896</u>

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
13. RESERVES		
Asset Revaluation Reserve		
- Work of Art & Antique Revaluation	4,464,415	4,464,415
- Buildings Revaluation	4,486,165	4,486,165
- Land Revaluation	<u>62,500,000</u>	<u>62,500,000</u>
	<u>71,450,580</u>	<u>71,450,580</u>
14. KEY MANAGEMENT PERSONNEL DISCLOSURES		
<i>Key Management Personnel</i>		
The key management personnel include the members of the Council as disclosed in the Council Report together with the Executive Staff.		
15. OPERATING LEASES		
Photocopier & Coffee machine:		
Due within one year	12,196	6,561
Due later than one year and less than five years	<u>9,900</u>	<u>5,746</u>
	<u>22,096</u>	<u>12,307</u>
16. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES		
Net surplus for the period	1,455,113	2,659,390
<i>Non-Cash Flows in Operating Surplus:</i>		
Depreciation	657,846	618,335
Marked to market loss from Investments	(230,486)	(857,124)
<i>Changes in Assets and Liabilities:</i>		
(Increase) / Decrease in Receivables	12,307	(16,998)
(Increase) / Decrease in Other Assets	(29,078)	(34,738)
Increase / (Decrease) in Payables	(430,207)	108,115
Increase / (Decrease) in Provision	<u>13,093</u>	<u>23,416</u>
Net Cash Provided by Operating Activities	<u>1,448,588</u>	<u>2,500,395</u>

THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN: 77 142 270 315

FOR THE YEAR ENDED 31 DECEMBER 2018

COUNCIL'S DECLARATION

In the opinion of the Council of St John's College ("the College"):

- (a) the financial statements and notes of the College are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the College's financial position as at 31 December 2018 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date in accordance with the basis of accounting described in Note 1.
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-Profits Commission Regulation 2013*, and other mandatory reporting requirements to the extent described in Note 1; and
- (b) there are reasonable grounds to believe that the College can meet its debts as and when they become due and payable.

Signed in accordance with a resolution of the Council:



Mr Adrian Diethelm-Rector
Member of St John's College Council



Mr Matthew Gordon-Fellow
Member of St John's College Council

Dated at Sydney:

VJR
V.J. RYAN
& CO

CHARTERED ACCOUNTANTS
A.B.N. 55 704 784 107

**INDEPENDENT AUDIT REPORT
TO THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE
ABN: 77 142 270 315**

Opinion

We have audited the accompanying special purpose financial report of The Rector and Fellows of St John's College ("the College") which comprises the statement of financial position as at 31 December 2018, statement of profit or loss and other comprehensive income, Statement of Cash Flows, Statement of Changes in Equity, notes comprising a summary of significant accounting policies and Council's Declaration.

In our opinion, the accompanying financial report of the College 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 the College's financial position as at 31 December 2018 and its performance for the financial year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis of 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

Without modification to our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial statements have been drawn up as special purpose financial statements for distribution to the Council and to meet the reporting requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

**INDEPENDENT AUDIT REPORT
TO THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE (CONTINUED)
ABN: 77 142 270 315**

Information Other than the Financial Report and Auditor's Report Thereon

The Council Members are responsible for the other information. The other information comprises the information included in the Council's report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Council Members for the Financial Report

The Council Members of the College are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors 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 Council Members are responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intend to liquidate the College or to cease operations, or have no realistic alternative but to do so. The Council Members are responsible for overseeing the College's financial reporting process.

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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council Members.

**INDEPENDENT AUDIT REPORT
TO THE RECTOR AND FELLOWS OF ST JOHN'S COLLEGE (CONTINUED)
ABN: 77 142 270 315**

- Conclude on the appropriateness of the Council Members' 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 College'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.
- Communicate with the Council Members 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.



V J RYAN & CO
Chartered Accountants

Level 5
255 George Street
SYDNEY NSW 2000



Partner: James Ryan

Dated at Sydney: 3 June 2019