



GEELONG GRAMMAR SCHOOL®
EXCEPTIONAL EDUCATION

ANNUAL REPORT 2017

COUNCIL REPORT



Jeremy Kirkwood (FB'79)
Chairman of Council

I am pleased to present the Chairman's report for 2017 together with the abridged 2017 financial accounts.

2017 was Stephen Meek's last full year as Principal ahead of our twelfth Principal, Rebecca Cody, commencing her appointment at the start of Term 2, 2018. I would like publicly thank Stephen for his significant contribution to the School over 13 ½ years. He has led the School with distinction and can be justly proud of his time as Principal. During Stephen's time, enrolments increased and more importantly, the educational programmes, staff development and facilities have all improved. We wish him all the best for the future.

Enrolments remained strong in 2017 and it is pleasing to see that this level has continued in 2018. Council is pleased with the numbers, particularly the strength in boarding numbers and girls in the School. These gratifyingly endorse the Council's decisions to invest in the School's boarding facilities (adding P unit and Elisabeth Murdoch House as well as upgrading the Senior School boarding houses) and introduce Positive Education.

The boarding house refurbishment programme continues with the refurbishment of Clyde North followed by the construction of a new Clyde South. Construction of the new Clyde House has been recently completed and very well received by the girls; landscaping and the completion of the tennis court will follow in the coming months. There was also major investment in staff housing and the refurbishment of office space at Corio.

The Toorak Wellbeing Centre (TWBC) opened in November 2017 completing the Master Plan for the Toorak Campus that was first developed back in the 1990s. A highly successful fundraising campaign was critical in being able to construct the TWBC and I would like to thank all of those who contributed to this magnificent Centre. Our Toorak Campus is now blessed with an enviable suite of facilities that complement the wonderful educational programme and staff, led by Rachel George, Head of Campus. The School is keen to make the TWBC available to the broader community, particularly local schools, if the Stonnington Council can overcome its planning restrictions.

Elsewhere, the Institute of Positive Education continues to perform very well, working both inside the School and outside with other educational organisations. Incredibly, over 18,000 teachers and over 1,100 schools from around the world have participated in the Institute's training programmes. The Institute continues to grow and delivers on the School's vision of ensuring Positive Education is made available beyond the School. In November 2017, the School's development of Positive Education was recognized as one of the world's 100 most inspiring education innovations by Finland's HundraED organisation.

On behalf of the Council, I wish to express sincere thanks to the School's executive team, led by the Principal and all staff and volunteers at the School. I would also like to thank Penny McBain in her role as the Chair of the Foundation and Margie Gillett (Cordner, CI'71) in her role as President of the Old Geelong Grammarians and their committees for all they do for the School.

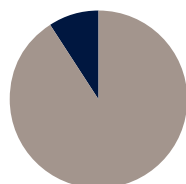
I am delighted that Philip Crutchfield QC, John Chomley (M'85) and Reverend Dr Hugh Kempster joined the Council. They all bring a strong commitment to the School and their diverse skill sets will be an asset to the Council. Philip and John are both current parents and Hugh was previously the Senior Chaplain and is a past parent. Peter Francis and The Venerable Neil Hicks have resigned from the Council and their dedicated contribution to the School is deeply appreciated.

The School's abridged accounts for 2017 follow this report. Enrolment numbers, particularly boarding numbers, remain very strong, which underpins the School's robust financial position and good operating surplus. The School Council is pleased that the transition to a new Principal will be occurring with the School strong financially and positioned well to embark on its next era under the leadership of Rebecca Cody.

If you have any questions on the accounts or this report please contact the Director of Finance and Operations.

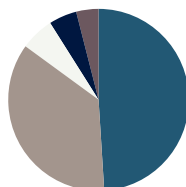
COUNCIL FINANCIAL SUMMARY

INCOME



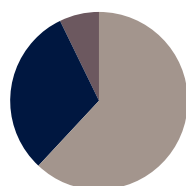
- Net fees, charges and other income 91%
- Govt grants 9%

STUDENT ENROLMENTS



- Full boarders 48%
- Day students 36%
- Day boarders 6%
- Overseas students 6%
- Weekly boarders 4%

EXPENDITURE



- Staff and tuition expenses 58%
- Net operational expenses 35%
- Depreciation and Amortisation 7%

SUMMARY OF FINANCIAL POSITION AS AT 31ST DECEMBER 2017

	2017 \$000's	2016 \$000's
Current Assets		
Cash at bank on deposit	1,376	1,410
Receivables - fees (net of provision for doubtful debts)	738	592
Other debtors and pre-payments	1,900	2,854
Retirement benefit obligation	798	514
Inventories	745	685
	5,557	6,055
Non Current Assets		
Retirement benefit obligation	1,063	857
Freehold land and buildings	163,840	158,817
Plant, equipment and motor vehicles	10,468	10,783
	175,371	170,457
Total Assets	180,928	176,512
Deduct-		
Current Liabilities		
Trade creditors	1,201	2,030
Fees received in advance	7,611	7,830
Sundry other creditors and accrued liabilities	5,064	4,404
Borrowings	6,172	3,932
Deferred revenue	19,497	18,143
Provisions for employee entitlements	5,041	4,870
	44,586	41,209
Non Current Liabilities		
Provisions for employee entitlements	2,675	2,773
Borrowings	3,000	-
Other liabilities	-	2,240
Total Liabilities	50,261	46,222
Net Assets	130,667	130,290

FOUNDATION REPORT



Penny McBain
Chair, Geelong Grammar
Foundation

Our Foundation is flourishing. The corpus at 31 December 2017 stood at \$51.3 million, up from \$43.8 million at the end of 2016. Total investment income for the year was just under \$5 million, well up on the previous two years, and fundraising income for the year was just under \$6.3 million, including \$3 million into the Building Fund for the Toorak Wellbeing Centre. The Scholarship Fund stood at \$26 million (including \$4.4 million transferred from the James Darling Memorial Fund, which was wound up in 2017), and the Endowment Trust at \$25 million (up from \$19.3 million and \$20.3 million in 2016 respectively).

The ongoing priorities of the Foundation continue to be Scholarships, Bequests, Positive Education, Annual Giving, and any other project endorsed by the School Council. Our new Director of Advancement, Jo Nitz, joined Geelong Grammar School in June 2017 and has, in a relatively short time, taken huge steps to revitalize our fundraising efforts and rebuild confidence in our fundraising team.

The Scholarships Committee has been led and inspired by John Simson (Cu'74) for the past nine years. I record our grateful thanks to him for his drive, passion and the wonderful results that he and the committee have achieved. I am delighted that new Foundation Board member Charles Henry (FB'67) has agreed to Chair the Scholarships Committee and I look forward to seeing the wonderful work of this committee continue under his leadership. Currently nearly 25% of children at the School receive some form of financial assistance. I believe that there are few more worthy causes for us, as members of the Foundation, than providing access to the life-changing opportunity of a Geelong Grammar School education to a diverse range of students. I thank again all those whose efforts and donations allow the School to provide these opportunities.

The Biddlecombe Society continued to flourish under the patronage of Michael Collins Persse, led by Neil Robertson (FB'73) and with Garry Pierson at the coalface, welcoming 23 new members in 2017. The total number of notified

bequests is currently 178 (up from 145 in 2016 and 102 in 2015). Over \$2 million was received in bequests in 2017. I believe that bequests will become ever more important in providing support for the School, and urge all members of our community to consider the possibility of providing a Bequest in their Will to the Foundation, as so many of us have already done.

2017 saw the completion of the Toorak Wellbeing Centre, which was formally opened in November, and I would like to thank Foundation Board member Susannah Calvert-Jones and her committee for their enormous contributions to the fundraising effort for this wonderful building. In recent years the Handbury Centre for Wellbeing, the David William Robert Knox Equestrian Centre, the School for Performing Arts and Creative Education (the SPACE), the Positive Education programme, the Mechai Viravaidya Centre for academic support and the diversity provided by scholarships have all enriched the life of the School community.

It is your gifts have helped make the School the wonderful institution that it is today. Foundation membership is currently 942 and I acknowledge with gratitude the generosity and commitment of all our volunteers and every member of the Foundation. Annual Giving raised nearly \$200,000 in 2017 under the leadership of Donald Robertson. The importance of your gifts, great and small, to all the projects that we support, cannot be overestimated. So much of what we see and which our students enjoy at the School would simply not exist without the generosity of past and current benefactors.

I am always inspired by the generosity and commitment of our community, and your willingness to "put something back in" to the institution which has meant so much to you and your families. It is this remarkable generous and enduring generosity for which I thank you now. Long may it continue.

Thank you very much.

FOUNDATION FINANCIAL SUMMARY

SUMMARY OF FINANCIAL POSITION AS AT 31ST DECEMBER 2017

	Endowment Fund	James Darling Memorial Fund	Scholarship Fund	Total
Assets	\$000's	\$000's	\$000's	\$000's
Cash	5,954	-	942	6,896
Investments				
- Equity and cash trusts	19,370	-	18,667	38,037
Receivable from related party	30	-	2,596	2,626
Balance of the account with the School	2,240	-	3,931	6,171
Sundry receivables	7	-	6	13
Total Assets	27,601	-	26,142	53,743
Sundry creditors and accrued liabilities	2,422	-	-	2,422
Net Assets	25,179	-	26,142	51,321

SUMMARY OF INCOME AND EXPENDITURE, AND MOVEMENT IN FUNDS HELD FOR THE YEAR ENDED 31ST DECEMBER 2017

	Endowment Fund	James Darling Memorial Fund	Scholarship Fund	Total
Income	\$000's	\$000's	\$000's	\$000's
Interest received	130	-	146	276
Dividends and other trust distributions received	1,550	339	1,243	3,132
Realised profit/(loss)	458	734	444	1,636
Total investment income	2,138	1,073	1,833	5,044
Increase/(decrease) in investment revaluation reserve	642	(556)	370	456
Total investment return	2,780	517	2,203	5,500
Return on funds				-
Bequests, gifts and fundraising activities	2,239	-	5,253 ¹	7,492
Total income	5,019	517	7,456	12,992
Less - Foundation grants	270	4,497 ¹	659	5,426
Fund expenses	24	5	19	48
Surplus/(deficit) for the year	4,725	(3,985)	6,778	7,518

¹The James Darling Memorial Fund is in the process of winding up and transferred all its assets to the Scholarship Fund during the year.

FOUNDATION GIFTS SUMMARY

	2017	2016	2015	2014	2013
	\$	\$	\$	\$	\$
Endowment Trust (Foundation Fund)	2,238,901	201,560	163,600	39,932	237,870
James Darling Memorial Fund	-	-	-	23,520	24,765
Scholarship Fund	893,340 ¹	1,373,224	2,581,084	2,723,811	631,359
Building Fund	3,117,541	1,521,279	2,334,338	2,436,539	4,259,859
Library Fund	32,974	19,203	14,392	43,345	21,479
Total Gifts	6,282,756	3,115,266	5,093,414	5,267,147	5,175,332

¹ Net of donations between related entities

OGG REPORT



Margie Gillett (Cordner, Clyde'71)
President, Old Geelong Grammarians

It is a pleasure to present the OGG President's Report in the 119th year of the OGG Association. The stated aims of the OGG Association are to promote the welfare of the School and to unite former students of Geelong Grammar School, Clyde School, The Hermitage and Glamorgan. As OGG President, I serve as a member of School Council and attend meetings of the Geelong Grammar Foundation in an ex-officio capacity. I would like to thank Penny McBain, Chair of the Foundation Board, and her board, sub-committees and volunteers for sustaining the School's scholarship and bequest funds, and for supporting the School's educational programmes. It is not the role of the OGG Association to directly raise funds for the School, but we thank all OGGs, individually and collectively, who give their time and energy to support the work of the Foundation.

The OGG Committee is constantly seeking new initiatives to fulfil its aims, underpinned by a predictable and sustainable level of funding support. Thank you to our Treasurer, Will Richardson (M'02), who heads the OGG Finance Committee, comprising Tim Bayles (FB'99), John Cleary (M'01) and Will Riggall. OGG Committee member, Rob Perry (A'83), has also provided helpful advice. Projects supported financially by the OGG Association in 2017 include renovation of the 1895 Bracebridge Wilson monument in East Geelong Cemetery, the Toorak Wellbeing Centre, an online alumni survey, cataloguing of Michael Collins Persse's archival collection, restoration of the School's original architectural plans,

development of an online OGG mentoring programme and sponsorship of the Old Geelong Sporting Club (including OGFC), reflecting its expansion into the VAFA women's league.

There are OGG branches all around Australia and overseas, as well as at least 16 support groups or OGG affiliated clubs, including cricket, football, netball, rowing and tennis. There are around 80 OGGs serving in executive or support roles in these groups, and hundreds who participate in their activities. All representatives of these groups give a tremendous amount of time and energy, and we thank them for their valuable work in uniting and engaging the OGG community.

Significant OGG events in 2017 included the College Grammar Reunion Dinner in France, the London Dinner hosted by UK Branch representatives James Earl (M'96) and Ed Smith (Cu'86), branch functions in Benalla and Sydney, Timbertop and Glamorgan reunions, and the annual Tower Luncheon at Corio. Three OGG Fellowships, the Association's highest honour, were awarded at the Tower Luncheon to James Affleck OAM (Cu'67), John Landy AC CVO MBE FTSE (M'48), and Peter Lemon (FB'64) for their superlative service to the School and the alumni community.

I am grateful to my fellow OGG Committee members for their advice, support and collaborative teamwork in 2017. Co-Vice Presidents, Nina Anderson (Thomas, CI'93) and David Henry (FB'69), have contributed their time and expertise to the OGG Business Lunch and the OGG Motoring Event respectively. Ian Coltman (A'77) provides sound legal and policy advice to the OGG Committee. Deidre Griffiths (He'68) is the President of HOGA and her leadership and liaison with The Hermitage community is much appreciated. Simon Kemp (Cu'70) has provided invaluable assistance with the logistics of Michael Collins Persse's archival collection, Annabel Southey (CI'02) has provided experience and knowledge of mentoring and teaching, Bill Ferguson (P'72) has supported Archives projects, Pin Affleck (CI'97) has supported the OGG UK Branch and European networks, Sandy

Mackenzie (FB'59) has liaised with OGG rural and regional branches, while Lucinda Bordinon (CI'03) has joined the committee from Canberra, where she headed the OGG ACT branch.

The OGG Association receives outstanding support from the School's Community Relations Department, particularly Alumni Relations Manager and Honorary OGG Secretary, Katie Rafferty (Spry, Ga'84), Director of Community Relations, Brendan McAloon, and Support Group and Event Coordinator, Iga Bajer. Community Relations assist with managing events and reunions, liaising with support groups, maintaining the database, social media and communications, including publication of Light Blue magazine and the monthly OGG Update e-newsletter.

We hope the OGGs will be a helpful resource for our new Principal, Rebecca Cody, whenever she needs advice, guidance, friendship, support, an anecdote, or just a good laugh. Memories, history and experience inform the present and can help to shape the future. We look forward to sharing the future with Rebecca and her team at GGS.

OGG FINANCIAL SUMMARY

STATEMENT OF THE OGG FINANCIAL PERFORMANCE AND POSITION FOR THE YEAR ENDED 31ST DECEMBER 2017

	2017	2016
	\$	\$
Revenue and Expenses:		
Memberships	6,954	6,136
Merchandise	1,586	1,970
Dividends	141,334	159,505
Interest	65,050	54,535
Gain (loss) on disposal of investments	631,430	37,343
Endowment from Geelong Grammar School	46,864	59,136
Cost of merchandise	(6,649)	(7,385)
Function expenses	(1,494)	(948)
Administration expenses	(75,199)	(75,494)
History Book Project	-	684
Endowment to GGS and other entities	(16,415)	(4,000)
Surplus	793,461	231,482

	2017	2016
	\$	\$
Balance Sheet:		
Cash assets	326,002	224,431
Receivables	106,438	166,301
Inventories	16,351	18,089
Other current assets	890	1,399
Investments	3,789,037	3,440,780
Total Assets	4,238,718	3,851,000
Payables	(4,000)	(9,822)
Total Liabilities	(4,000)	(9,822)
Net Assets	4,234,718	3,841,178
Retained profits	4,149,608	3,356,147
Reserves	85,110	485,031
Total Equity	4,234,718	3,841,178

A full copy of the financial report can be obtained by contacting the Honorary Secretary of the Old Geelong Grammarians.