

MELBOURNE GIRLS GRAMMAR
an Anglican school

ABN 81 116 806 163

ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2023**

COMPANY DETAILS

Principal

Dr T E Meath

Chair

Mr M Burgess

Deputy Chair

Mrs C Clark OAM

Directors

Mr N Appleton

Reverend Dr M Campbell

Ms S Dugdale

Mr I Hockings

Mr D Kiriacoulacos

Mrs S Morgan

Mr A Mytton

Rev'd Dr S Rolfe

Mr H Stockdale

Ms C Wong

Ms S Wilson

Registered Office

86 Anderson Street, South Yarra 3141

Auditors

Deloitte Touche Tohmatsu

477 Collins Street, Melbourne 3000

Bankers

National Australia Bank

Level 2, 330 Collins Street, Melbourne 3000

Company Secretary and Chief Financial Officer

Mr C Lawless

MISSION

In the pursuit of our vision, Melbourne Girls Grammar is committed to the provision of an exceptional education for girls, with an emphasis on strong Christian values, high expectations, creativity and academic challenge. Within a supportive and optimistic culture we provide opportunities for students to discover their passions and build their capacities for action and influence within their many life contexts.

MEMBERS

As at 31 December 2023 there were 36 (2022: 39) Members of the Company whose names appear below:

Directors

Mr N Appleton
Mr M Burgess
Mrs C Clark OAM
Rev'd M Campbell
Ms S Dugdale
Mr I Hockings
Mr D Kiriacoulacos
Mrs S Morgan
Mr A Mytton
Rev'd Dr S Rolfe
Mr H Stockdale
Ms C Wong
Ms S Wilson

Principal

Dr TE Meath

Staff

Ms E Ponniah
Ms L Lee

Students

Miss A Choi
Miss C Millear
Miss Z Vlahos

Old Grammarians

Mrs J Hare
Mrs R Trindade
Ms J Wilkinson
Mrs A Williams
Mrs E Harrison

Parents' Association

Mrs N Gillard
Ms T Read
Ms R Wilkinson

Foundation

Prof Katie Allen
Mr Fred Grimwade

Diocese

Mr J Blanch
Mr J Castles
Rev E Fraser
Rev Canon RM McDougall
Rev D Nicholls
Rev C Taplin
Rev K Terpstra

PRINCIPAL'S REPORT

I have pleasure in presenting my 2023 Report.

INTRODUCTION

This report is prepared in accordance with State and Commonwealth requirements under government funding legislation, regulations and agreements. The purpose is to provide the School Community and wider public key information about the characteristics of the School and its performance for the preceding year.

Melbourne Girls Grammar has specialised in providing a quality education for girls since 1893. The School provides an education for girls from 3 year old kindergarten through to Year 12 across two teaching campuses – Merton Hall and Morris Hall – located in the suburb of South Yarra in inner Melbourne.

The School proudly celebrated its 130th anniversary in 2023 and it was wonderful to have our community come together to commemorate this occasion.

Lines of Flight was published in 2023, written by Adjunct Professor Erica McWilliam AM, which presented on the colour, richness and importance of our School's history as a lasting contribution to the zeitgeist of a feminist Melbourne.

The 2023 year had its challenges that tested our fortitude however we lent in on the Mission and Values of the School and continued to place the student at the centre when making decisions.

VISION

Melbourne Girls Grammar aspires to develop ethical women of action. Through a focus on learning, research and innovation, we will continually be recognised by our own community, the national and international community as a leading school in girls' education.

MISSION

In the pursuit of our vision, Melbourne Girls Grammar is committed to the provision of an exceptional education for girls, with an emphasis on strong Christian values, high expectations, creativity and academic challenge. Within a supportive and optimistic culture we provide opportunities for students to discover their passions and build their capacities for action and influence within their many life contexts.

VALUES

In support of our mission, the values of Melbourne Girls Grammar are:

- Integrity
- Compassion
- Courage
- Self Discipline

PRINCIPAL'S REPORT

STAFF

STAFF ATTENDANCE

The attendance according to employee classification is:

Teachers	School Assistants	Administrative	Grounds & Maintenance
93%	93.3%	97.1%	95.4%

STAFF RETENTION

Overall, 88.3% (2022: 86.9%) of School employees have been retained from 2022 into the 2023 school year.

The average tenure of all staff members employed at the end of 2023 was 7.2 years (2022: 6.4 years).

TEACHER QUALIFICATIONS

Doctorate	3%
Masters	29%
Post-Graduate Certificate	11%
Graduate Diploma	14%
Bachelor	41%
Diploma	2%

The above represents the highest qualification achieved by each of our staff members.

TEACHER STANDARDS

Of our teaching staff, 100% are registered with the Victorian Institute of Teaching and all registrations have been renewed for the 2023 Academic year. On commencement by all teaching staff, the Human Resources Department obtains a copy of their registration and its corresponding expiry date which is then followed up at the appropriate time to ensure renewal is achieved in time.

WORKFORCE

The overall workforce of Melbourne Girls Grammar was comprised of 175 full-time employees, 98 part-time employees and 202 casual employees (2022: 178 full-time employees, 81 part-time employees and 188 casual employees). The split of male to female staff is 15.9% to 84.1% (2022: 15.9% to 84.1%), as indicated in our annual submission to the Workplace Gender Equality Agency in 2023.

No employees have advised the School that they have an Aboriginal or Torres Strait Islander heritage.

OCCUPATIONAL HEALTH & SAFETY

The School has an Occupational Health & Safety Program which is administered by the Occupational Health & Safety Committee, a representative group of staff members, and ultimately the responsibility rests with the Executive team, Principal and School Council. Fortunately, during the year there were nil staff incidents that required lodgement of claims to the WorkCover Authority. The nature of each of the incidents was such that only minor alterations to the School's facilities were required.

PRINCIPAL'S REPORT

EXPENDITURE AND TEACHER PARTICIPATION IN PROFESSIONAL LEARNING

The Melbourne Girls Grammar Institute (MGGI) is a space for educators and partner organisations to learn with and from each other through the sharing of ideas, research, and innovation. Under the leadership and governance of our expert advisory board, MGGI debates, learns, and collaborates on the emergent ideas for the future education generally, and girls' education specifically.

MGGI is a group that engages in:

- Provoking and leading conversations with globally minded educators
- Developing global research and educational partnerships
- Advancing exceptional education practices
- Advocating for and developing impactful and research informed wellbeing and academic strategies

MGGI's Professional Learning aligns with the School's annual teaching, learning, and wellbeing priorities. Departments and individuals set their priorities in line with the School's and document their intended actions and learning experiences they will engage with to move their practice forward. The fundamental purpose of professional development is to grow the expertise of our staff for the improved outcomes of our students from 3-year-old kindergarten to Year 12.

In 2023, teachers accessed Professional Learning opportunities in person, online, interstate and internationally. The Professional Learning opportunities offered and accessed within MGGS took the form of mandated compliance-focused professional learning, wellbeing, project, and team-based inquiries into elements of practice, presentations, workshops, lectures and the MGGI Community Education Series. In addition, external to the School, teachers took the opportunity to access Professional Learning through further studies in conjunction with professional associations, Independent Schools Victoria and universities.

Staff consulted on the shape of professional learning in 2024 and beyond, participating in surveys, discussion forums and co-constructed the final model that will support professional learning for all staff in a consistent but bespoke manner.

The MGGI Advisory Board

Emeritus Professor Sally Walker AM – Patron
Dr Toni Meath – Principal
Dr Julie Faulkner
Dr Sally Godinho
Dr Jared Cooney Horvath
Helen Baker
Adjunct Professor Erica McWilliam AM
Jamie Lowe
Bruce Armstrong PSM
Luke Francis (from Term 2)

PRINCIPAL'S REPORT

Whilst it is by no means a comprehensive summary of the professional learning undertaken by our staff, MGGI reported the following data on the registration for internal and external professional learning opportunities. These totals do not include Whole School Staff Days, Innovation Grants, Professional Learning Fellowship Award, professional reading text or tertiary studies:

	ELC		Morris Hall		Merton Hall	
Category	Nº of PLs	Hours	Nº of PLs	Hours	Nº of PLs	Hours
Discipline	18	225	17	113	222	2167
Expertise	1	5	2	16	71	979
Mandatory*	5	40	17	138	56	441
Other	14	120	14	86	118	1167
Pedagogy	1	60	1	60	4	25
TOTAL	39	450	51	413	471	4779

Staff read Sir David Attenborough's *A Life on Our Planet: My Witness Statement and a Vision for the Future* as part of their professional development to explore the concepts of sustainability and change over time.

Professional Learning Highlights

- MGGI facilitated over 4,500 hours of professional learning opportunities for staff across the School through internal and external opportunities
- Four teachers graduated from the Victorian Academy of Teaching and Leadership's 'Teacher Excellence Program'
- Team presented as part of the Science of Learning Research Centre, which is a University of Queensland Partner Schools Program to explore learning strategies and their impact on self-regulated learning. (video here: <https://youtu.be/PpozqHIREME>)
- Emina McLean worked with all staff promoting literacy practices and supporting the development of literacy plans
- Dr Selena Fisk worked with teams of staff to increase data literacy through her approach to data storytelling, exploring our datasets to inform how students are supported

MGGI Community Education Series Talks

- The ABC of ChatGPT
- 'Clearing the Air' vaping webinar
- Concussion in Youth Sport Presentation by Dr David Munro
- Strengthening Young People Against Anxiety by Dr Karen Young
- Fuel your Focus with Ali Miles – 4 sessions across Terms 3 and 4

Pre-Service Teacher Candidates and Mentoring

- 12 pre-service teachers over 13 placements
- 6 teaching areas
- 19 mentoring teachers
- 193 days in total provided to develop the next generation of teachers

PRINCIPAL'S REPORT

STUDENTS

STUDENT COMPOSITION

Our students come from Melbourne, rural Victoria and all over Australia, in particular the Northern Territory and central New South Wales. We also have many international students from Asia and elsewhere throughout the globe. In 2023 we had six students (2022: seven students) who identified themselves to the School as being Aboriginal or Torres Strait Islander.

STUDENT ATTENDANCE

Morris Hall
93.4%

Merton Hall
93%

82% of students who completed Year 9 at MGGS in 2020 went on to complete Year 12 at MGGS in 2023 (2022: 89%). Moreover, of those students who completed Year 12 in 2023, there were 5 students who had commenced their education at MGGS in the 3 year old Early Learning Centre.

Non-attendance is monitored by year level co-ordinators and the Directors of Students, and managed on a case-by-case basis depending on the wellbeing needs of the individual student.

YEAR 12 OUTCOMES

The key academic results from our Year 12 students in 2023 are as follows:

- 7% obtained an ATAR of 99 or higher (2022: 8.4%).
- 25% obtained an ATAR of 95 or higher (2022: 27.7%).
- 37% obtained an ATAR of 90 or higher (2022: 40%).
- 50% obtained an ATAR of 85 or higher (2022: 55.4%)
- 60% obtained an ATAR of 80 or higher (2022: 70%).
- 5 perfect study scores (2022: 4).

The ATAR (Australian Tertiary Admission Rank) is the score used for tertiary selection. It is a measure of a student's ranking within Victoria based on VCE results. Hence 37% of MGGS students obtaining an ATAR of 90 or above means that these students are within the top 10% of the State. Our median ATAR for the year was 85.1 (2022: 86.57, 2021: 90.6, 2020: 89.47) and 50% (2022: 55.4%, 2021: 59.9%, 2020: 61.6%) of our graduates were within the top 15% of the State.

YEAR 12 DESTINATIONS

Majority of students (97%) seeking course placements for 2024 (2023: 98%) have been offered a course in the career pathway of their choice. The VTAC (Victorian Tertiary Admissions Centre) offers were for the following areas of study (based on the main VTAC offer rounds made in December 2023 and January 2024):

Areas of Study	% of Offers
Arts	22%
Sciences	22%
Biomedicine	5%
Law	9%
Business	12%
Commerce	10%
Nursing	7%
Media	5%
Engineering	5%
Art / Design	3%

PRINCIPAL'S REPORT

PROFICIENCY RESULTS

The National Assessment Program – Literacy and Numeracy (NAPLAN) is conducted annually for all Years 3, 5, 7 and 9 students in every school by the Australian Curriculum, Assessment and Reporting Authority (ACARA). The results of 2023 are detailed below.

In 2023 the reporting of results was changed by the agreement of Education Ministers from all states to use proficiency standards. The four new standards are:

Exceeding: The student's result exceeds expectations at the time of testing.

Strong: The student's result meets challenging but reasonable expectations at the time of testing.

Developing: The student's result indicates that they are working towards expectations at the time of testing.

Needs additional support: The student's result indicates that they are not achieving the learning outcomes expected at the time of testing. They are likely to need additional support to progress satisfactorily.

ACARA advises that a new NAPLAN time series has begun from 2023; therefore, results from 2023 on cannot be compared to results from 2008 to 2022.

Previous years data included a "National Minimum Standard" benchmark measure; ACARA has now found this to be misleading in implying that only students below the 'minimum' standard required further assistance. Under the new proficiency standards, the category "Needs Additional Support" is a better representation of students who need additional support, capturing more students.

2023 NAPLAN Results

We are very proud of the results our Grammarians have achieved in the 2023 NAPLAN testing with outstanding results at all year levels.

- At Year 3, 100% of students achieved in the Developing – Exceeding range for the Reading, Writing, Spelling and Grammar & Punctuation sub-tests. Results of Strong or Exceeding achieved by:
 - 86.1% of students for Reading
 - 97.2% of students for Writing
 - 91.6% of students for Spelling
 - 91.6% of students for Numeracy
 - 86.1% of students for Grammar & Punctuation

2.8% of the cohort (1 student) was exempt from testing due to illness or other causes, bringing the result for Writing to 100% in the Strong or Exceeding range for those Year 3 students who were tested.

- At Year 5, 100% of students achieved in the Developing – Exceeding range for the Reading and Grammar & Punctuation sub-tests, and 98.2% in the Developing – Exceeding range for Writing, Spelling and Numeracy. Results of Strong or Exceeding were achieved by:
 - 94.7% of students for Reading
 - 96.4% of students for Writing
 - 87.5% of students for Spelling
 - 92.9% of students for Numeracy
 - 84% of students for Grammar & Punctuation

PRINCIPAL'S REPORT

- At Year 7, 100% of students achieved in the Developing – Exceeding range for the Reading sub-test, and 99.1% in the Developing – Exceeding range for Writing, Spelling, and Grammar & Punctuation sub-tests, with 98.2% in this range for Numeracy.

Results of Strong or Exceeding were achieved by:

- 92.7% of students for Reading
- 86.2% of students for Writing
- 91.7% of students for Spelling
- 90.9% of students for Numeracy
- 86.2% of students for Grammar & Punctuation

- At Year 9, 100% of students achieved in the Developing – Exceeding range for the Writing sub-test, and 99.1% in the Developing – Exceeding range for Grammar & Punctuation.

Results of Strong or Exceeding were achieved by:

- 93% of students for Reading
- 91.4% of students for Writing
- 87.2% of students for Spelling
- 86.9% of students for Numeracy
- 87.9% of students for Grammar & Punctuation

In comparing the MGGS median score (50th percentile) with the State median score, we find that on all sub-tests at all year levels, the MGGS median was above the State Median.

The MGGS 50th percentile was at or above the State 75th percentile in most sub-tests across all year levels.

2022 NAPLAN Results

In the 2022 NAPLAN testing 99.2% of MGGS students achieving at or above the national minimum standard for all literacy and numeracy measures across all levels.

National minimum standard for Year levels are as follows:

Year 3 – Band 2

Year 5 – Band 4

Year 7 – Band 5

Year 9 – Band 6

- At Year 3, 100% of MGGS students ranked at or above the minimum standard for Reading, Writing, Spelling, Grammar and Punctuation, and Numeracy.
- At Year 5, 100% of MGGS students ranked at or above the minimum standard for Reading, Writing, Spelling, Grammar and Punctuation, and Numeracy.
- At Year 7, 100% of MGGS students ranked at or above the minimum standard for Reading, Writing, and Spelling. 99% of students achieved at or above the minimum standard for Numeracy. 98% of students achieved at or above the minimum standard for Grammar and Punctuation.
- At Year 9, 100% of students ranked at or above the minimum standard for Reading, Spelling, and Grammar and Punctuation. 99% of student achieved at or above the minimum standard for Writing, and Numeracy

In comparing the MGGS median score (50th percentile) with the State median score we find that:

- At Year 3
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
The median score in Writing for MGGS was at or above the 75th percentile scores of all students in the State.
- At Year 5
The median scores in all testing areas for MGGS were above the median scores of other students in the State.

PRINCIPAL'S REPORT

The median score in Writing for MGGS was at or above the 75th percentile scores of all students in the State.

- At Year 7
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
- At Year 9
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
The median score in Reading, Writing, Grammar and Punctuation, and Numeracy for MGGS were at or above the 75th percentile scores of all students in the State.

2021 NAPLAN Results

In the 2021 NAPLAN testing 99% of MGGS students achieving at or above the national minimum standard for all literacy and numeracy measures across all levels.

National minimum standard for Year levels are as follows:

Year 3 – Band 2

Year 5 – Band 4

Year 7 – Band 5

Year 9 – Band 6

- At Year 3, 100% of MGGS students ranked at or above the minimum standard for Reading and Writing, Spelling, Grammar and Punctuation, and Numeracy.
- At Year 5, 100% of MGGS students ranked at or above the minimum standard for Reading and Writing, Spelling, and Grammar and Punctuation. 98% of students achieved at or above the minimum standard for Numeracy.
- At Year 7, 100% of MGGS students ranked at or above the minimum standard for Reading and Writing, Grammar and Punctuation, and Numeracy. 98% of students achieved at or above the minimum standard for Spelling.
- At Year 9, 100% of students ranked at or above the minimum standard for Spelling and Numeracy. 98% of student achieved at or above the minimum standard for Writing and Grammar and Punctuation. 97% achieved at or above the minimum standard for Reading.

In comparing the MGGS median score (50th percentile) with the State median score we find that:

- At Year 3
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
The median score in Reading and Writing for MGGS were at or above the 75th percentile scores of all students in the State.
- At Year 5
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
More than 75 % of students at MGGS scored above the median State score in Writing.
- At Year 7
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
The median scores for Reading was above the 75th percentile scores for all students in the State. Approximately 75% of students at MGGS scored at or above the median State score in Writing, Grammar and Punctuation, and Numeracy.
- At Year 9
The median scores in all testing areas for MGGS were above the median scores of other students in the State.
Approximately 75% of MGGS students achieved at or above the median State score in Writing, Spelling, and Grammar and Punctuation.
The MGGS median score for Spelling and Grammar and Punctuation was approximate to the 75% State percentile.

PRINCIPAL'S REPORT

STAKEHOLDER FEEDBACK

Parent and Student Surveys

I continued to hold many forums with key stakeholders of the School, including staff, parents, alumnae and students during the year to ascertain opportunities for change and improvement in the School. Students and parents focus groups and surveys were used to refine the MGGS curriculum. All exiting families were given the opportunity of an Exit interview. I am excited by what we were able to achieve during a turbulent two years and look forward to further implementation of the MGGS Strategic Plan 2022-2025.

Staff Surveys

The School engages the services of InSync Survey to conduct its bi-annual survey with the next scheduled for 2023. The outcomes were communicated to staff and School Council and showed a trend of overall increases in engagement. We use this staff feedback to continuously improve staff culture and to enhance those practices that ensure we remain an employer of choice in the independent school sector. All exiting staff were given the opportunity of an Exit interview.

PRINCIPAL'S REPORT

FINANCIAL ACTIVITIES

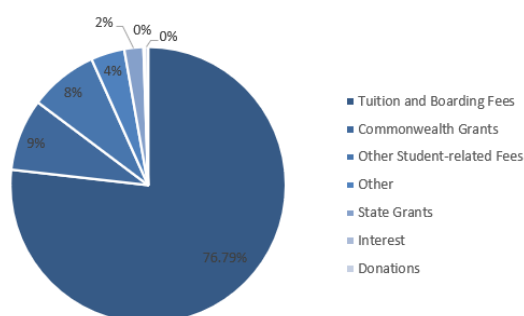
The School's finances, including those for the Boarding House, are overseen by the Finance Committee, which currently comprises five members and the Principal and Chief Financial Officer. The Committee met seven times in 2023 to discuss the School's financial activities. The Committee has responsibility for guiding the financial operations of the School and its key functions are to recommend the annual budget to School Council, review monthly results, monitor parent debt and in conjunction with the Audit & Risk Management Committee to endorse the annual audited financial statements to School Council.

The School seeks to balance between being financially prudent to maintain fees at manageable levels for its parent cohort and generating income and operating cash flows that can be used to provide the best resources and educational environment for its students. The School developed a master plan and will be sharing the vision for the future look and feel of the campuses with the Community later in 2024. The School will fund these from a mixture of government grants, operating cash flows, fundraising and external debt.

SCHOOL INCOME

The School receives funding from both the State and Commonwealth governments. The following table provides a breakdown of school income in the 2023 year by funding source:

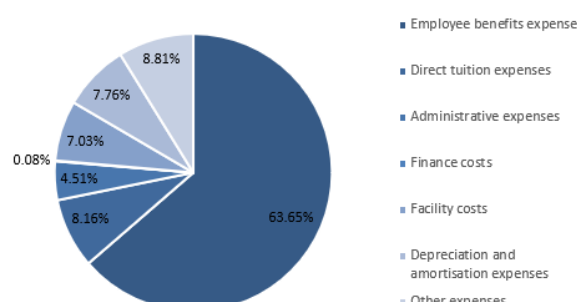
Tuition and Boarding Fees	76.79%
Commonwealth Grants	8.44%
Other Student-related Fees	8.04%
State Grants	2.24%
Donations	0.38%
Other	3.95%
Interest	0.16%
	100%



SCHOOL EXPENDITURE

The School's expenditure throughout the 2023 year is as follows:

Employee Costs	63.65%
Educational Costs	8.16%
Administrative Costs	4.51%
Finance Costs	0.08%
Facility Costs	7.03%
Depreciation & Amortisation	7.76%
Other	8.81%
	100%



PRINCIPAL'S REPORT

BOARDING HOUSE

Melbourne Girls Grammar offers boarding to students who are unable to otherwise attend. Over time, the Boarding House has evolved to reflect the multi-cultural diversity of Melbourne and to welcome girls from all over the world, interstate and from our indigenous communities. Our boarders bring a much valued diversity to our School; every effort is made to create an atmosphere of warmth, friendliness and cooperation within our vibrant residential community.

The Boarding house is located on the Merton Hall Campus and boarders have access to an exceptional education and the magnificent resources of the City of Melbourne. The Boarding House encourages and inspires girls to develop their own routines, gain independence and confidence, and soon becomes their home away from home. Activities, study sessions, tutors and caring support staff help students feel secure, build self-confidence and both parents and girls are warmly welcomed into the extended MGGS family, and the community as a whole.

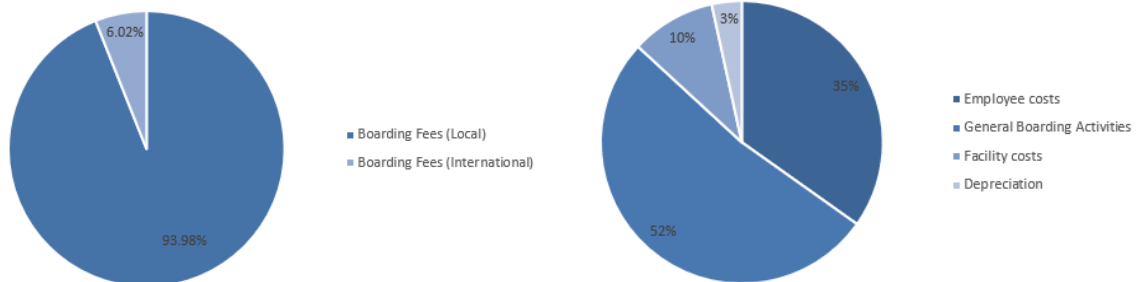
In recent years, investment in the Boarding House include the refurbishment of student study quarters and the upgrade of the parent retreat. Additionally, Boarding House leaders organise many activities in addition to regular school commitments. These include social events with peer Schools and student bonding activities on the weekends. Staff work hard to foster independent living skills, facilitating the development of confident and self-aware young women. This proves to be invaluable for our students in their tertiary years.

The Boarding House has funded its activities from a mixture of operating cash flows and external debt. The following table provides a breakdown of Boarding House income in the 2023 year by funding source:

Boarding Fees (local)	93.98%
Boarding Fees (International)	6.02%
	<u>100%</u>

Boarding House expenditure throughout the 2023 year is as follows:

Employee Costs	35.0%
General Boarding activities	52.0%
Facility Costs	10.0%
Depreciation	3.0%
	<u>100%</u>



PRINCIPAL'S REPORT

SCHOLARSHIPS

The School has established many scholarships and bursaries for Grammarians and prospective Grammarians to open up an education at the School to more students. Discounts are also offered to some families based on their circumstances – primarily discounts for multiple Grammarians from the one family attending the School concurrently. A breakdown of the various concessions provided are below, in terms of the number of full-time equivalent concession provided:

	2023	2022
Bursaries	14	12
Indigenous Scholarships	5	5
Other Scholarships	38	36
Discounts	19	26
	76	79

VALUE ADDED

As a School community, we regard our students as central to everything we do – our plans, our operations and our measures of success. We are a forward looking community and understand that our students must be prepared for life in an increasingly complex and globally connected world. Our focus is the development of young women with the confidence, skills and experience to excel in life beyond school. Leadership, team building, social and cultural awareness, and a strong sense of personal self-worth are crucial components of an education at Melbourne Girls Grammar. Our approach is aimed at ensuring girls are keen to learn and to extend themselves, that they seek out opportunities and are solution focused in their thinking.

The overwhelming number of MGGS students that maintain co-curricular schedules alongside their academic studies, their exemplary participation in community programs, and their keen involvement in cultural tours and exchanges are indicators of the value inherent in an MGGS education. We aspire for every girl that she become who she is meant to be, and that she optimizes her personal growth through her schooling.

I believe this Report to be an accurate reflection on the experiences and achievements of MGGS in 2023. I would like to recognise and thank all our staff and School Council for their energy, talents and commitment to the School and its students and it is my great pleasure to continue to lead this community.

Dr Toni E. Meath
Principal

DIRECTORS' REPORT

Your Directors have pleasure in submitting herewith the financial statements for the Company for the year ended 31 December 2023 together with Notes to and forming part of the Accounts. This report is made in accordance with a resolution of the Directors.

SUMMARY OF OPERATIONS

During 2023, the impacts of the COVID-19 pandemic reduced and the School was able to return to normal. The School has been affected by the high inflation rates which have resulted from supply chain issues and increased labour costs.

Our excellent teaching and supporting staff are so important to our School. We would like to thank our leadership and staff for their steadfast dedication and unwavering focus on providing an environment of educational excellence for our students.

Through careful strategic management, we are focused on ensuring prudent management of our financial position, ensuring ongoing investment in our technology and school environment, and support of our very hard working and adaptive staff. It is critical that we plan and manage for not just the current challenging times yet also remaining focused on the long-term wellbeing of our School.

The deficit of the Company for the year ended 31 December 2023 was \$1,480,153 (2022: \$715,116 surplus). The main reasons for the movement in our results year on year has been summarised below:

- Revenue increased from \$47,020,055 in 2022 to \$49,611,738 in 2023 due to an increase in enrolments in more senior year levels and greater participation in extra-curricular activities such as camps
- Employee benefits expenses increased from \$30,010,365 in 2022 to \$32,679,207 in 2023 due to an increase in number of teaching staff to allow for smaller class numbers and new programs offered by the School.
- Other expenses increased from \$4,064,039 in 2022 to \$4,523,753 in 2023 due to provision for legal claims being included in liabilities.
- Facility costs have increased from \$2,519,767 in 2022 to \$3,610,582 in 2023.

We would like to thank all of those who have supported our education program and community during over the past year.

DIRECTORS' REPORT

- (a) Names of Officers are as follows:

Chair & Deputy Chair

Mr Mark BURGESS

Qualification: BCom (Hons)

Experience: Director since April 2017. Deputy Chair from May 2018 to February 2019.

Chair since February 2019.

Ms Carolyn CLARK OAM

Qualifications: BA LLB (Hons), LLM

Experience: Director since April 2015. Deputy Chair since May 2020.

Directors

Mr Neil APPLETON

Qualifications: BArch (1st Class Hons), MArch, RAIA

Experience: Director since February 2019.

Rev'd Matt CAMPBELL

Qualifications: Cert IV WAT, BMin (Theol.), GradDipSocSci, GradDipEd., MACA, MACE, MACEL

Experience: Director since April 2022.

Mrs Sam DUGDALE

Qualifications: BA, BBus (Marketing) Monash University

Experience: Director since April 2022.

Mr Ian HOCKINGS

Qualifications: B.Sc (Joint Hons), CA, FCA, GAICD

Experience: Director since November 2023.

Mr Dimitri KIRIACOULACOS

Qualifications: BA (Accountancy), LLB (Hons), GDipAppFin&Inv, CPA, F Fin

Experience: Director since April 2022.

Mrs Sarah MORGAN

Qualifications: BEng., PGrad Dip (Contemporary Art), MBA

Experience: Director since September 2018.

Mr Alistair MYTTON

Qualifications: BComm (Melb), CA, GAICD

Experience: Director since May 2019.

Mrs Anna PERMEZEL

Qualifications: BA (Melb)

Experience: Director since September 2014. Retired May 2023.

Rev'd Dr S ROLFE

Qualifications: BSc (Psychology) (Hons Class 1), MSc, PhD, MDiv, Dip Pastoral Ministry

Experience: Director since April 2022.

Mr Hayden STOCKDALE

Qualifications: BCom(Hons), LLB(Hons), Grad. Dip. App. Fin. MAICD

Experience: Director since April 2016.

DIRECTORS' REPORT

Ms Stephanie WILSON
Qualifications: BAppSc (Information Technology)
Experience: Director since April 2021.

Ms Cynthia WONG
Qualifications: B.Sc. (Hons), MBA (MBS)
Experience: Director since June 2020.

Company Secretary

Mr Christian LAWLESS
Qualifications: BCom, LLB, CA, GAICD
Experience: Company Secretary since January 2012.

Directors and the Company Secretary have been in office since the start of the year to the date of this report unless otherwise stated.

(b) Attendance at Board of Director meetings during the year:

	Eligible	Attended		Eligible	Attended
Mr M Burgess (Chair)	9	7	Mrs S Morgan	9	8
Mr N Appleton	5	4	Mr A Mytton	9	6
Rev'd Dr M Campbell	9	7	Mrs A Permezel	5	2
Mrs C Clark OAM (Deputy Chair)	9	7	Rev'd Dr S Rolfe	9	6
Mrs S Dugdale	9	8	Mr H Stockdale	9	6
Mr I Hockings	4	3	Ms S Wilson	9	8
Mr D Kiriacoulacos	9	8	Mrs C Wong	9	8

- (c) The principal activity of the Company during the year was the conduct of a day and boarding school for girls from 3-year-old kindergarten to Year 12. There has not been any significant change in the nature of the activities during this period.
- (d) The deficit of the Company for the year ended 31 December 2023 was \$1,480,153 (2022: \$715,116 surplus). It was not necessary to make provision for Income Tax as the Company claims exemption from Income Tax under the *Income Tax Assessment Act 1997*.
- (e) No dividends have been paid or proposed during the year. Distributions to members are absolutely prohibited under the Company's Constitution.
- (f) No options to shares in the Company have been granted during the year and there were no options outstanding at the end of the year.
- (g) No Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with a Director or with a firm of which he/she is a member or with a Company in which he/she has a substantial material interest.
- (h) Subsequent Events
No matters or circumstances have arisen since the end of the year which have significantly affected or may significantly affect the operations of the Company, the result of those operations or the state of affairs of the Company in subsequent years.

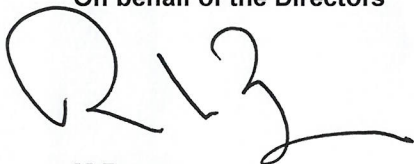
DIRECTORS' REPORT

- (i) The Company has not, during or since the end of the year, in respect of any person who is or has been an officer or auditor of the Company or of a related body corporate:
- Indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
 - Paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings except for the payment of a standard Directors' and Officers' Liability insurance premium to cover events other than wilful breach of duty.
- (j) No person has applied for leave of the Court to bring proceedings to which the Company is a party and the purpose of which is to take responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.
- (k) The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.
- (l) The number of members of the company as at 31 December 2023 was 36 (2022: 39).
- (m) The auditor's independence declaration for the year ended 31 December 2023 has been received and is included on page 19.
- (n) Events other than those of a financial nature:
Comments on other aspects of the Company's activities have been omitted from this report in favour of a full coverage of events which is contained in the Principal's Report (page 3) and to be presented on behalf of the Board of Directors to the Members at the Annual General Meeting on 13 May 2024.

DATED AT South Yarra this 28th day of March 2024.

Signed in accordance with a resolution of Directors made pursuant to s.60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the Directors



**M Burgess
Chair**



**A Mytton
Council Member**

The Directors
Melbourne Girls Grammar – an Anglican School
86 Anderson Street
South Yarra VIC 3141

28 March 2024

Dear Board Members

Melbourne Girls Grammar – an Anglican School

In accordance with Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of Melbourne Girls Grammar – an Anglican School.

As lead audit partner for the audit of the financial statements of Melbourne Girls Grammar – an Anglican School for the financial year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Peter Glynn
Partner
Chartered Accountants

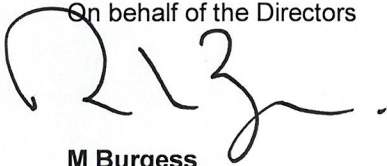
DIRECTORS' DECLARATION

The Directors declare that:

- a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) in the Directors' opinion, the attached financial statements and notes thereto for the year ended 31 December 2023 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company.

Signed in accordance with a resolution of the Directors made pursuant to s.60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the Directors



M Burgess
Chair



A Mytton
Council Member

DATED AT South Yarra this 28th day of March 2024.

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
Revenue	2	49,611,738	47,020,055
Less Expenses			
Employee benefits expense	3	32,679,207	30,010,365
Direct tuition expenses		4,189,673	4,012,179
Administrative expenses		2,314,183	2,326,201
Finance costs	3	38,816	25,156
Facility costs		3,610,582	2,519,767
Depreciation and amortisation expenses	3	3,985,677	3,697,232
Other expenses		4,523,753	4,064,039
		51,341,891	46,654,939
(Deficit)/Surplus for the year (prior to items of a capital nature)		(1,730,153)	365,116
Revenue for capital projects	2	250,000	350,000
(Deficit)/ Surplus for the year (i)		(1,480,153)	715,116
Other comprehensive income		-	-
Total (Deficit)/ Surplus for the year		(1,480,153)	715,116

The accompanying notes form part of these financial statements

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	4	741,205	470,597
Trade and other receivables	5	2,194,721	2,028,920
Inventory	6	416,701	378,973
Other assets	7	1,589,177	1,168,445
Total Current Assets		4,941,804	4,046,935
Non-Current Assets			
Property, plant and equipment	8	71,211,179	70,615,160
Intangible assets	9	16,310	17,885
Right of use assets	10	324,310	324,912
Total Non-Current Assets		71,551,799	70,957,957
Total Assets		76,493,603	75,004,892
Current Liabilities			
Trade and other payables	11	4,171,837	2,582,468
Provisions	12	3,782,979	2,625,856
Other liabilities	13	11,407,048	10,981,027
Borrowings	14	-	1,500,000
Lease liabilities	18	171,325	196,314
Total Current Liabilities		19,533,189	17,885,665
Non-Current Liabilities			
Provisions	12	563,537	639,881
Other liabilities	13	413,812	532,834
Lease liabilities	18	159,109	142,403
Borrowings	14	1,500,000	-
Total Non-Current Liabilities		2,636,458	1,315,118
Total Liabilities		22,169,647	19,200,783
NET ASSETS		54,323,956	55,804,109
Accumulated Funds			
Retained surplus	15	54,323,956	55,804,109
TOTAL ACCUMULATED FUNDS		54,323,956	55,804,109

The accompanying notes form part of these financial statements

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Cash Flow from Operating Activities			
Receipts from parents		42,851,377	40,035,857
Receipts from government grants		5,828,669	5,536,622
Payments to suppliers and employees		(46,471,364)	(45,315,598)
Other receipts		2,312,871	2,303,069
Interest income		78,324	16,391
Finance costs		(38,816)	(25,156)
Donations received for capital purposes from related parties		250,000	350,000
Net cash provided by operating activities		4,811,061	2,901,185
Cash Flow from Investing Activities			
Proceeds from sale of property, plant & equipment		51,254	29,678
Purchase of property, plant & equipment		(4,375,802)	(9,435,992)
Purchase of intangible assets		(1,212)	(11,786)
Net cash used in investing activities		(4,325,760)	(9,418,100)
Cash Flow from Financing Activities			
Net drawdown of external borrowings		-	1,500,000
Principal portion of lease repayment		(214,693)	(196,600)
Net repayments of borrowings from related parties		-	-
Net cash (used in)/ provided by financing activities		(214,693)	1,303,400
Net increase/ (decrease) in cash and cash equivalents		270,608	(5,213,515)
Cash and cash equivalents at beginning of the year		470,597	5,684,112
Cash and cash equivalents at end of the year	4	741,205	470,597

The accompanying notes form part of these financial statements

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Retained Surplus	Chapel Fund	Total
Balance at 1 January 2022	55,088,993	4,900	55,093,893
Surplus for the year	715,116	-	715,116
Total Comprehensive Income for the Year	715,116	-	715,116
Expenditure of Chapel Fund	-	(4,900)	(4,900)
Total Changes in Equity	715,116	(4,900)	710,216
Balance at 31 December 2022	55,804,109	-	55,804,109
Deficit for the year	(1,480,153)	-	(1,480,153)
Total Comprehensive Income for the Year	(1,480,153)	-	(1,480,153)
Total Changes in Equity	(1,480,153)	-	(1,480,153)
Balance at 31 December 2023	54,323,956	-	54,323,956

The accompanying notes form part of these financial statements

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Statement of Accounting Policies

Statement of Compliance

The Company does not have 'public accountability' as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the 'Tier 2' reporting framework under the Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060)* and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

The financial statements cover Melbourne Girls Grammar as an individual entity. For the purposes of preparing the financial statements, the company is a not-for-profit entity.

The financial statements were authorised for issue by the Directors on 27 March 2024.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The following material accounting policies have been adopted by the Company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Property, Plant and Equipment

Each class of property, plant and equipment is stated at cost less accumulated depreciation and amortisation, and any impairment losses.

Property

Freehold land and buildings are measured using the cost basis. The carrying amount of freehold land and buildings is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from those assets.

Furniture and Equipment

Furniture and equipment are measured on the cost basis. The carrying amount of furniture and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from those assets.

Depreciation and Amortisation

The depreciable amount of all tangible assets, but excluding freehold land, are depreciated over the estimated useful life of the asset. The difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, is included in the operating surplus in the year of disposal. The depreciation and amortisation rates used for each class of depreciable asset are:

Class of Fixed Asset	Rate
Building and Land improvements	2.50 - 10%
Furniture and Equipment	5 - 33.33%
Motor Vehicles	10 - 20%
Leasehold Improvements	5 - 10%

(b) Intangible Assets

Intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The useful life of intangible assets is 3 to 10 years.

(c) Income Tax

The income of the Company is exempt from income tax by virtue of the *Income Tax Assessment Act 1997*.

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Statement of Accounting Policies cont'd

(d) Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in statement of financial position.

(e) Employee Entitlements

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Liabilities recognised in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

Contributions to defined contribution superannuation plans are expensed when incurred and paid by the Company on behalf of employees.

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Statement of Accounting Policies cont'd

(f) Revenue

Tuition income and enrolment fees

Revenue from tuition fees, subject levies and other receipts from parents are recognised upon delivery of the service or goods. Tuition fees billed in advance or prepaid are recognised as deferred revenue at reporting date.

In addition to tuition income, the Company receives a non-refundable fee upon confirmation of a student's enrolment in future years. This fee represents a material right to receive future tuition services (being education as the fee entitles the student to a place in the school) and thus will be recognised as revenue over the expected school life of the student at Melbourne Girls Grammar.

Government grants

The Company has conducted an analysis of the government grant contracts and analysed the terms of each contract to determine whether the arrangement meets the enforceability and the 'sufficiently specific' criteria under AASB 15. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058.

All government grants received during the year have been recognised as revenue in the current year as the funding agreements did not contain sufficiently specific performance obligations.

Donations and bequests

Donations and bequests are recognised on a cash basis unless the Company enters into an enforceable contract which contains 'sufficiently specific' performance obligations.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(g) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except;

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow on a gross basis. The GST component of cash flows is classified as an operating cash flow.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Statement of Accounting Policies cont'd

(i) Inventory

Inventories are measured at the lower of cost and net realisable value. Cost of inventories is determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised as a surplus or deficit in the period in which they are incurred.

(k) Impairment of Assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In respect of not-for-profit entities, where the future economic benefits of an asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciable replacement cost of an asset less, where applicable, accumulated depreciation and amortisation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. The current replacement cost of an asset is its cost measured by reference to the lowest cost at which the gross future economic benefits of that asset could currently be obtained in the normal course of business. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in surplus or deficit immediately.

(l) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The provision for doubtful debts is determined by performing an individual assessment on each debtor account as to their recoverability. Refer to note 5.

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement mediation or arbitration. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of any financial settlement. As a result of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Statement of Accounting Policies cont'd

(m) Working Capital

The Company continues to experience strong enrolments and operating cash flows which are underpinning our ability to maintain a high degree of financial stability.

The Company reported a deficiency in working capital of \$14,591,385 (2022: \$13,838,730) due to the classification of:

(i) prepaid fees, fees billed in advance and deferred enrolment fees of \$11,407,048 (2022: \$10,981,027) which will be fully recognised as revenue in the operations of the Company in future years.

(ii) vested annual and long service leave liabilities of \$3,207,028 (2022: \$2,476,692) which the Directors do not consider will be fully paid in the next twelve months based on past experience.

Based on the above matters in addition to \$6m of unused debt facility as of balance date, the Directors consider the going concern basis of preparation is appropriate.

(n) Financial Assets

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification of Financial Assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial Measurement of Financial Assets

Financial assets are classified according to their business model and the characteristics of their contractual cash flows. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Trade and Other Receivables and Contract Assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Statement of Accounting Policies cont'd

(o) Financial Liabilities and Equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities measured subsequently at amortised cost

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

(p) Changes in accounting policies and changes in estimates

The Company has adopted all new and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Company. None have a material impact on the Company's financial statements.

MELBOURNE GIRLS GRAMMAR
an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
2. Revenue		
<i>Operating activities</i>		
Provision of services:		
Tuition	38,916,495	37,027,067
Boarding fees	1,942,918	2,214,580
Application fees	93,035	81,771
Other fees	3,895,513	3,372,203
Scholarships, discounts & bursaries	(2,763,296)	(2,847,030)
Government grants	5,298,790	5,033,293
Interest income on cash and cash equivalents	78,324	16,391
Other income	1,959,959	1,931,780
	<u>49,421,738</u>	<u>46,830,055</u>
<i>Non-operating activities</i>		
Donations for recurrent purposes from related parties	190,000	190,000
	<u>190,000</u>	<u>190,000</u>
Revenue	<u>49,611,738</u>	<u>47,020,055</u>
<i>Revenue for capital projects</i>		
Donations for capital purposes from related parties	250,000	350,000
	<u>250,000</u>	<u>350,000</u>
Total Revenue	<u>49,861,738</u>	<u>47,370,055</u>
3. Deficit for the Year		
Deficit for the year has been derived after the following items of expenditure:		
Employee Benefits expense:		
- short term employee benefits	29,647,810	27,337,352
- post employment benefits (defined contribution plans)	3,031,397	2,673,013
Total employee benefits expense	<u>32,679,207</u>	<u>30,010,365</u>
Depreciation of non-current assets:		
- building	2,237,324	2,163,207
- improvements	69,884	70,930
- motor vehicles	35,366	20,948
- furniture & equipment	1,433,304	1,240,727
Total depreciation expense	<u>3,775,878</u>	<u>3,495,812</u>
Depreciation of right of use assets	207,012	193,231
Amortisation of intangible assets:		
- trademarks	2,787	8,189
Total amortisation expense	<u>2,787</u>	<u>8,189</u>
Total depreciation and amortisation expense	<u>3,985,677</u>	<u>3,697,232</u>
Gain on sale or disposal of fixed assets	<u>(47,350)</u>	<u>(28,081)</u>
Operating lease rental expenses for low value assets or short term arrangements	<u>23,317</u>	<u>17,265</u>
Remuneration of the auditors for:		
- audit of accounts	41,400	39,000
The auditor is Deloitte Touche Tohmatsu.	<u>41,400</u>	<u>39,000</u>

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an Anglican school
ABN 81 116 806 163

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 \$	2022 \$
3. Deficit for the Year (Continued)		
Finance costs:		
- interest paid to financial institutions	27,743	14,769
- interest on leased assets	11,073	10,387
Finance costs expensed	<u>38,816</u>	<u>25,156</u>
4. Cash and Cash Equivalents		
Cash on Hand	1,200	1,200
Cash at Bank	740,005	469,397
	<u>741,205</u>	<u>470,597</u>
5. Trade and Other Receivables		
Family Debtors	2,106,775	1,679,171
Less Provision for doubtful debts (i)	(418,770)	(329,530)
	<u>1,688,005</u>	<u>1,349,641</u>
Related Parties	89,789	54,672
Other Debtors	416,927	624,607
	<u>2,194,721</u>	<u>2,028,920</u>
(i) Movement in provision for doubtful debts		
Balance at beginning of the year	(329,530)	(589,874)
Amounts recovered during the year	152,234	294,307
Impairment losses recognised on receivables	(283,780)	(85,867)
Amounts written off from provision during the year as uncollectable	42,306	51,904
Balance at the end of the year	<u>(418,770)</u>	<u>(329,530)</u>
<p>The average credit period for family debtors is 14 days. No interest is charged on outstanding trade receivables. The Company measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss ("ECL"). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast conditions at the reporting date.</p> <p>The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. None of the trade receivables that have been written off is subject to enforcement activities.</p>		
6. Inventory		
Uniform Shop Inventory	416,701	378,973
	<u>416,701</u>	<u>378,973</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
7. Other Assets		
Prepayments	1,571,000	1,150,268
Rental bonds	18,177	18,177
	<u>1,589,177</u>	<u>1,168,445</u>
8. Property, Plant and Equipment		
Freehold Land at cost	9,290,688	9,290,688
Freehold Land Improvements at cost	2,095,387	2,095,387
Provision for depreciation	<u>(1,429,348)</u>	<u>(1,359,464)</u>
	<u>9,956,727</u>	<u>10,026,611</u>
Buildings at cost	83,245,132	80,093,591
Provision for depreciation	<u>(27,404,117)</u>	<u>(25,166,792)</u>
	<u>55,841,015</u>	<u>54,926,799</u>
Furniture & Equipment at cost	24,316,496	23,048,349
Provision for depreciation	<u>(20,170,508)</u>	<u>(18,741,694)</u>
	<u>4,145,988</u>	<u>4,306,655</u>
Motor Vehicles at cost	468,277	501,659
Provision for depreciation	<u>(350,759)</u>	<u>(399,218)</u>
	<u>117,518</u>	<u>102,441</u>
Capital Work in Progress	<u>1,149,931</u>	<u>1,252,654</u>
Total Property, Plant and Equipment	<u>71,211,179</u>	<u>70,615,160</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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8. Property, Plant and Equipment (cont'd)

(a) Movements in Carrying Amounts

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the year:

	Land & Improvements	Buildings	Furniture & Equipment	Motor Vehicles	Capital Work in Progress	Total
	\$	\$	\$	\$	\$	\$
2022						
Opening balance	3,018,814	55,220,542	4,185,799	48,829	2,202,593	64,676,577
Additions	7,078,727	179,626	830,076	31,359	1,316,203	9,435,991
Disposals	-	-	(1,596)	-	-	(1,596)
Transfer	-	1,689,838	533,103	43,201	(2,266,142)	-
Depreciation	(70,930)	(2,163,207)	(1,240,727)	(20,948)	-	(3,495,812)
Closing balance	10,026,611	54,926,799	4,306,655	102,441	1,252,654	70,615,160
2023						
Opening balance	10,026,611	54,926,799	4,306,655	102,441	1,252,654	70,615,160
Additions	-	20,154	834,463	18,260	3,502,925	4,375,802
Disposals	-	-	-	-	(3,905)	(3,905)
Transfer	-	3,131,386	438,174	32,183	(3,601,743)	-
Depreciation	(69,884)	(2,237,324)	(1,433,304)	(35,366)	-	(3,775,878)
Closing balance	9,956,727	55,841,015	4,145,988	117,518	1,149,931	71,211,179

9. Intangible Assets

	2023	2022
	\$	\$
Trademarks	6,616	4,068
WIP Intangibles	9,694	13,817
	16,310	17,885

(a) Movements in carrying amounts for each class of Intangible Assets between the beginning and the end of the year:

	Trademarks	Work in Progress	Total
	\$	\$	\$
2022			
Opening balance	10,427	3,861	14,288
Acquisitions	-	11,786	11,786
Transfers	1,830	(1,830)	-
Amortisation	(8,189)	-	(8,189)
Closing balance	4,068	13,817	17,885
2023			
Opening balance	4,068	13,817	17,885
Acquisitions	-	1,212	1,212
Transfers	5,335	(5,335)	-
Amortisation	(2,787)	-	(2,787)
Closing balance	6,616	9,694	16,310

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2023	2022
	\$	\$
10. Right of use assets		
Property at cost	635,020	635,020
Provision for amortisation	(504,477)	(377,473)
	130,543	257,547
Motor Vehicles at cost	301,502	264,911
Provision for amortisation	(249,251)	(197,546)
	52,251	67,365
Photocopiers at cost	169,819	-
Provision for amortisation	(28,303)	-
	141,516	-
Total Right of use assets	324,310	324,912

(a) Movements in carrying amounts for each class of right of use assets between the beginning and the end of the year:

	Property	Motor Vehicle	Photocopiers	Total
	\$	\$	\$	\$
2022				
Opening Balance	384,551	133,592	-	518,143
Additions	-	-	-	-
Depreciation	(127,004)	(66,227)	-	(193,231)
Closing balance	257,547	67,365	-	324,912
2023				
Opening Balance	257,547	67,365	-	324,912
Additions	-	61,172	169,819	230,991
Disposals	-	(24,581)	-	(24,581)
Depreciation	(127,004)	(51,705)	(28,303)	(207,012)
Closing balance	130,543	52,251	141,516	324,310

	2023	2022
	\$	\$
11. Trade and other payables		
Current		
Trade creditors	1,103,999	256,390
Sundry creditors & accruals	3,067,838	2,326,078
	4,171,837	2,582,468

The average credit period on purchases is 30 days. No interest is charged on trade payables.

12. Provisions		
Current		
Provisions:		
Provision for Old Grammarians' Contribution (i):	150,951	149,164
Other Provisions	425,000	-
Employee entitlements (ii)		
Annual leave	915,360	650,066
Long service leave	2,291,668	1,826,626
	3,782,979	2,625,856
Non-current		
Employee entitlements (ii):		
Long service leave	563,537	639,881
	563,537	639,881

(i) Movement in provision for Old Grammarians contribution:

Balance at the beginning of the year	149,164	172,430
Amounts charged to profit or loss	41,512	14,709
Amount paid during the year	(39,725)	(37,975)
Balance at the end of the year	150,951	149,164

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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		2023 \$	2022 \$
12.	Provisions (continued)		
	A portion of enrolment fees received from parents is set aside to be paid to the Old Grammarians Society following the departure of the student from the School. On departure from the School, a payment of \$175 is paid to the Society. The provision represents the present value of these future payments.		
	(ii) Aggregate employee entitlements	4,195,565	3,116,573
13.	Other Liabilities		
	Current		
	Term Fees in Advance	10,285,260	9,555,918
	Advance Fees	970,900	1,240,644
	Deferred enrolment fees	150,888	184,465
		11,407,048	10,981,027
	Non-Current		
	Deferred enrolment fees	413,812	532,834
		413,812	532,834
14.	Borrowings		
	Current		
	Secured		
	Bank loans secured at amortised cost (i) (ii)	-	1,500,000
		-	1,500,000
	Total Current Borrowings	-	1,500,000
	Non- Current		
	Secured		
	Bank loans secured at amortised cost (i) (ii)	1,500,000	-
		1,500,000	-
	Total Non-Current Borrowings	1,500,000	-
(i)	Secured bank loan facility:		
	Amount used	1,500,000	1,500,000
	Amount unused	6,000,000	6,000,000
	Total bank loan facility	7,500,000	7,500,000

The facility limit is currently \$7,500,000 (2022: \$7,500,000) and expires on 31 October 2025.

The Company also has an asset finance lease facility for \$750,000 (2022: \$750,000). The used portion of this facility is \$Nil (2022: \$Nil).

- (ii) Bank loans have an interest rate of 5.9794% (2022: 3.6589%) which equals the weighted average rate for the year. The Company has provided security in the form of a first registered mortgage over the Merton Hall campus situated at 62-86 Anderson Street, South Yarra, Victoria.

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		2023	2022
		\$	\$
15	Retained Surplus		
	Balance at the beginning of the year	55,804,109	55,088,993
	Total comprehensive (loss)/ income for the year	(1,480,153)	715,116
	Balance at the end of the year	<u>54,323,956</u>	<u>55,804,109</u>
16.	Chapel Fund Reserve		
	Balance at the beginning of the year	-	4,900
	Expenditure	-	(4,900)
	Balance at the end of the year	<u>-</u>	<u>-</u>
	The Chapel Fund Reserve arises when donations are received from the School Chapel and reduced when expenditure is incurred specifically for the School Chapel. The reserve has been fully utilised in 2022 and will no longer be used.		
17.	Commitments		
	Capital Expenditure Commitments		
	Capital expenditure commitments		
	Contracted for capital expenditure projects	453,313	863,101
		<u>453,313</u>	<u>863,101</u>
	The capital commitments are payable not later than 1 year.		
18.	Lease Liabilities		
	Secured		
	Current	171,325	196,314
	Non-Current	159,109	142,403
		<u>330,434</u>	<u>338,717</u>
	Future minimum lease payments		
	Payable not later than 1 year	181,363	246,379
	Payable later than 1 but not later than 5 years	165,374	135,226
		<u>346,737</u>	<u>381,605</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2023 \$	2022 \$
19. Members' Guarantee		
The Company is incorporated as a company limited by guarantee and does not have share capital. The contribution of each member to its debts and liabilities in the event of a winding up is restricted to an amount not exceeding \$10.00. There were 36 members at 31 December 2023 (2022: 39).		
20. Events After The Reporting Date		
No matters or circumstances have arisen since the end of the year which have significantly affected or may significantly affect the operations of the Company, the result of those operations or the state of affairs of the Company in subsequent years.		
22. Contingent Assets & Liabilities		
The Company is party to the National Redress Scheme and civil proceedings has potential claims for redress resulting from historical child abuse. The Company may have financial exposure to claims in the future; by their nature at the date of this report it is not possible to reliably estimate the quantum (if any) of claims of this nature which may emerge or require addressing. The Company will continue to closely monitor these legal matters and the impact on the Company.		
23. Key Management Personnel Compensation		
	2023 \$	2022 \$
Compensation to key management personnel	2,617,211	2,500,049
The number of personnel within this group averaged 11 during the year (2022: 11).		
24. Related Party Transactions		
A donation of \$190,000 (2022: \$190,000) has been made by the Merton Hall Foundation Endowment Fund.		
A donation of \$250,000 (2022: \$250,000) has been made by the Merton Hall Foundation Building Fund.		
An amount of \$89,789 (2022: \$54,672) owed by the Merton Hall Foundation has been recognised in Trade and other receivables, and \$49,303 (2022: \$35,852) owed to the Merton Hall Foundation has been recognised in trade and other payables.		
25. Financial Instruments		
The Company holds the following financial instruments at amortised cost:		
Trade and other receivables	2,194,721	2,028,920
	2,194,721	2,028,920
Trade and other payables	4,171,837	2,582,468
Other liabilities	11,820,860	11,513,861
Borrowings	1,500,000	1,500,000
Lease liabilities	330,434	338,717
	17,823,131	15,935,046

Independent Auditor's Report to the Members of Melbourne Girls Grammar – an Anglican School

Opinion

We have audited the financial report of Melbourne Girls Grammar – an Anglican School (the “Entity”) which comprises the statement of financial position as at 31 December 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and the declaration by Directors as set out on pages 20 to 38.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the “ACNC Act”), including:

- (i) giving a true and fair view of the Entity's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Company Details, Principal's Report and the Directors Report, for the year ended 31 December 2023, 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 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 Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act 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 Directors are responsible for assessing the ability of the Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Entity or to cease operations, or has 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

Independence

We confirm that the independence declaration required by the ACNC Act, which has been given to the Directors of the Entity, would be in the same terms if given to the Directors as at the time of this auditor's report.



DELOITTE TOUCHE TOHMATSU



Peter Glynn
Partner
Chartered Accountants
Melbourne, 28 March 2024