

**MELBOURNE GIRLS GRAMMAR**  
an Anglican school

**ABN 81 116 806 163**

**ANNUAL REPORT**

**FOR THE YEAR ENDED  
31 DECEMBER 2022**

## COMPANY DETAILS

### **Principal**

Dr TE Meath

### **Chairman**

Mr M Burgess

### **Deputy Chairman**

Mrs C Clark OAM

### **Directors**

Mr N Appleton

Rev'd Dr M Campbell

Ms S Dugdale

Mr D Kiriacoulacos

Mrs S Morgan

Mr A Mytton

Mrs A Permezel

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 2022 there were 39 (2021: 37) 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 Dudale  
Mr D Kiriacoulacos  
Mrs S Morgan  
Mr A Mytton  
Mrs A Permezel  
Rev'd Dr S Rolfe  
Mr H Stockdale  
Ms C Wong  
Ms S Wilson

## **Principal**

Dr TE Meath

## **Staff**

Mr E Ponniah  
Ms L Lee

## **Students**

Miss A Rahman  
Miss A Boreham  
Miss C Casson

## **Old Grammarians**

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

## **Parents' Association**

Mrs R Buscombe  
Mr C Chipperfield  
Mrs A Evans-Greenwood  
Mrs D McNamara  
Ms T Read  
Ms R Wilkinson

## **Foundation**

Mr DI Clarke  
Mrs K O'Sullivan

## **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 2022 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 campuses – Merton Hall and Morris Hall – located in the suburb of South Yarra in inner Melbourne.

The 2022 year witnessed a return to normal school operations, a welcome change from the disruptions caused by two years of periodic remote learning during the initial phase of the COVID-19 global pandemic.

The School shall proudly celebrate its 130<sup>th</sup> anniversary in 2023.

## **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
95.6%	94.48%	97.4%	87.81%

### STAFF RETENTION

Overall, 86.9% (2021: 86%) of School employees have been retained from 2021 into the 2022 school year.

The average tenure of all staff members employed at the end of 2022 was 6.4 years (2021: 6.5 years).

### TEACHER QUALIFICATIONS

Doctorate	1%
Masters	18%
Post-Graduate Certificate	13%
Bachelor	46%
Diploma	16%
Certificate	6%

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 178 full-time employees, 81 part-time employees and 188 casual employees (2021: 173 full-time employees, 82 part-time employees and 130 casual employees). The split of male to female staff is 15.9% to 84.1% (2021: 19.2% to 80.8%), as indicated in our annual submission to the Workplace Gender Equality Agency in 2022.

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

2022 saw the launch of the Melbourne Girls Grammar Institute (MGGI). 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 will debate, learn, and collaborate on the emergent ideas for the future education generally, and girls' education specifically.

MGGI is an organisation 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

Melbourne Girls Grammar Institute has the following mission and vision

### MISSION

We aspire to develop an educational network that advances the vision of Melbourne Girls Grammar as a leading school in girls' education. Through research and innovation, we promote and support exemplary pedagogy.

### VISION

In supporting the MGGS Mission we will foster a community of learners and partners who focus on observation, action, reflection and research. By implementing considered evidence-informed models of learning we will promote and track learning growth.

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 2022, 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.

### 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 AO  
Jamie Lowe  
Bruce Armstrong PSM  
David Simpson  
Ashley Pratt  
Lauren Sayer

## 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	Number of PLs	Hours	Number of PLs	Hours	Number of PLs	Hours
Discipline	2	51	2	17	105	728
Expertise	2	7	5	78	59	467
Mandatory*	-	-	10	12	6	12
Pedagogy	-	-	4	35	40	248
Wellbeing	-	-	3	4	11	42
<b>TOTAL</b>	<b>4</b>	<b>58</b>	<b>24</b>	<b>146</b>	<b>221</b>	<b>1,496</b>

### Professional Learning Highlights

- MGGI facilitated over 2000 hours of professional learning opportunities for staff across the School through internal and external opportunities
- Three teachers graduated from the Victorian Academy of Teaching and Leadership's 'Teacher Excellence Program'
- MGGS presented at ACEL conference – Topic: Reclaiming and Reshaping learning through a collaborative lens
- MGGS hosted and presented at the inaugural national Research Invested Schools gathering
- Two MGGS teachers presented and attended the International Girls School Coalition Conference in Boston

### MGGI Community Education Series Talks

- L Platers – How to support your teen daughter on the road to adulthood - Madonna King
- The Future of Work – Dr Peter Thomas RMIT
- The importance of Media Literacy – Annabel Astbury ABC
- Maximising Focus, Concentration and Learning – Andrew Fuller
- The Neuroscience of Attention – Dr Jared Cooney Horvath
- Joint viewing of 'Screenagers' with Melbourne Grammar School

## PRINCIPAL'S REPORT

In 2022, staff were given the opportunity to apply for funding through an Innovation Grant, to explore new technologies and new and innovative pedagogical approaches that have the potential to improve student learning and engagement. The 2022 Professional Learning and Innovation Grant assists the School to build a culture of innovation whereby teachers personalise their learning through purposeful and intentional actions. The Grants support teachers to take risks and confidently explore new approaches and implement new strategies into their instructional practices. In 2022 the following innovation grants were awarded:

1. Junior School Literacy Intervention

The development of a suite of junior school resources to support strategic literacy intervention across Morris Hall.

2. Sustainable 3D Printing

The purchase of a ceramic 3D printer to produce sustainable 3D artefacts as part of our visual arts program

3. STEM Project Icarus

The Icaus Project has the following aims:

- To gain experience of designing and constructing an environmental monitoring payload unit Near-space-craft and launching to near space using a high-altitude balloon.
- To learn practical applications of space and earth sciences and related technologies

The Innovation Grants are not reflected in the total professional learning registrations and hours. 2022 witnessed the third year of our Professional Learning Fellowship Awards. The Melbourne Girls Grammar Professional Learning Fellowship Awards (PLFA) are annual awards made available to all School staff. The PLFA is offered through the generous support of the School Council. Two (2) staff members were awarded a PLFA valued at \$6,000. The PLFA are not reflected in the total professional learning registrations and hours.

Furthermore, in 2022, the chosen professional reading text was educator and author Jim Knight's 2016 text, 'Better Conversations'. This was followed up by in person and virtual professional learning sessions held by Growth Coaching International for teachers throughout the year.

The Performance Development culture encourages staff to value their own learning and to aim for excellence in their role. The structure is designed for teachers to connect across curriculum areas and share diverse practice in order to break down silos and experience high quality instructional practices at a variety of levels and in a variety of Departments. Staff share their learning within Departments and Year Level Teams and at whole School staff meetings. This in turn provokes dynamic professional discussions and enriches collegial circles.

The professional learning budget is supported by related expenditures such as temporary teachers, travel, accommodation, and catering.



# 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 2022 we had seven students (2021: five students) who identified themselves to the School as being Aboriginal or Torres Strait Islander.

### STUDENT ATTENDANCE

<b>Morris Hall</b>	<b>Merton Hall</b>
93.0%	89.85%

89% of students who completed Year 9 at MGGS in 2022 went on to complete Year 12 at MGGS in 2022 (2021: 87%). Moreover, of those students who completed Year 12 in 2022, there were 8 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 2022 are as follows:

- 8.4% obtained an ATAR of 99 or higher (2021: 7.1%).
- 27.7% obtained an ATAR of 95 or higher (2021: 29.4%).
- 40% obtained an ATAR of 90 or higher (2021: 50.9%).
- 55.4% obtained an ATAR of 85 or higher (2021: 59.9%).
- 70% obtained an ATAR of 80 or higher (2021: 73.21%).
- 4 perfect study scores (2021: 5).

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 40% 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 86.57 (2021: 90.6, 2020: 89.47, 2019: 90.85) and 55.4% (2021: 59.9 %2020: 61.6%, 2019: 68.3%) of our graduates were within the top 15% of the State.

### YEAR 12 DESTINATIONS

All our 130 graduating Year 12 students were eligible for tertiary studies. Majority of students (98%) seeking course placements for 2023 (2022: 99%) 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 2022 and January 2023):

<b>Area of Study</b>	<b>% of Offers</b>
Agriculture & Environmental Studies	1.5%
Architecture & Building	3%
Creative Arts	7%
Education	3%
Engineering	8%
Health	11.5%
Information Technology	2%
Management & Commerce	15%
Natural & Physical Sciences	17%
Society & Culture	32%

# PRINCIPAL'S REPORT

## BENCHMARK RESULTS

An assessment called 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 the past three years are detailed below.

### 2022 NAPLAN Results

We are very proud of the results our Grammarians have achieved in the 2022 NAPLAN testing with 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 (50<sup>th</sup> 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 75<sup>th</sup> 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.  
The median score in Writing for MGGS was at or above the 75<sup>th</sup> 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 75<sup>th</sup> 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 (50<sup>th</sup> 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 75<sup>th</sup> 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 75<sup>th</sup> 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.

## 2020 NAPLAN Results

NAPLAN testing across the country was cancelled in 2020, due to the COVID-19 pandemic.

# 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 2021-2025.

### *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

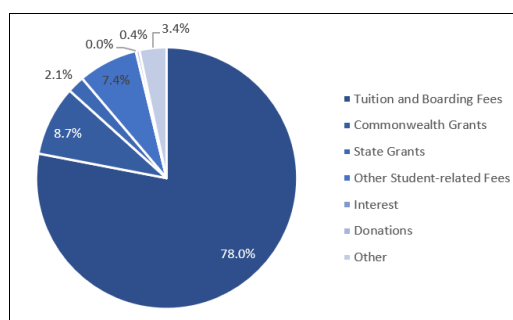
The School's finances, including those for the Boarding House, are overseen by the Finance Committee, which currently comprises five members and the Principal and Chief Financial Officer. The Committee met seven times in 2022 to discuss the School's financial activities. The Committee has responsibility 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 is developing a master plan over the two campuses and has embarked on a building renewal program which has resulted in the refurbishment or development of several areas at both the Merton Hall and Morris Hall campuses, and we have plans to continue over the coming years with a new strategic Development Framework being prepared. The School has funded 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 2022 year by funding source:

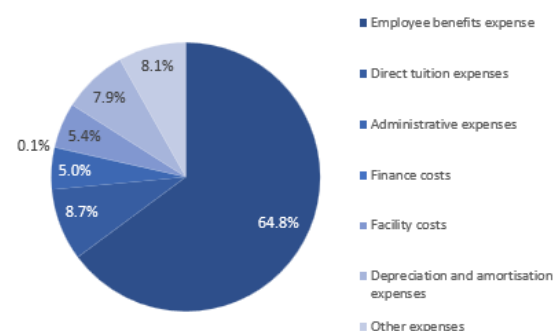
Tuition and Boarding Fees	78.0%
Other Student-related Fees	7.4%
Commonwealth Grants	8.7%
State Grants	2.1%
Donations	0.4%
Other	3.4%
	<b>100%</b>



## SCHOOL EXPENDITURE

The School's expenditure throughout the 2022 year is as follows:

Employee Costs	64.80%
Educational Costs	8.66%
Administrative Costs	5.02%
Finance Costs	0.05%
Facility Costs	5.44%
Depreciation & Amortisation	7.85%
Other	8.17%
	<b>100%</b>



# 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.

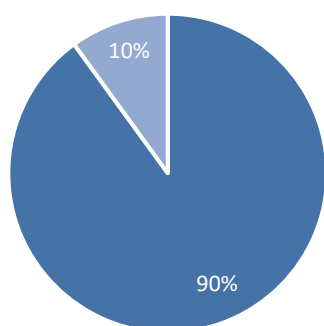
In recent years, investment in the Boarding House include the refurbishment of student study quarters and the upgrade of the parent retreat. Additionally, Boarding House leaders organise many activities in addition to regular school commitments. These include social events with peer Schools and student 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 2022 year by funding source:

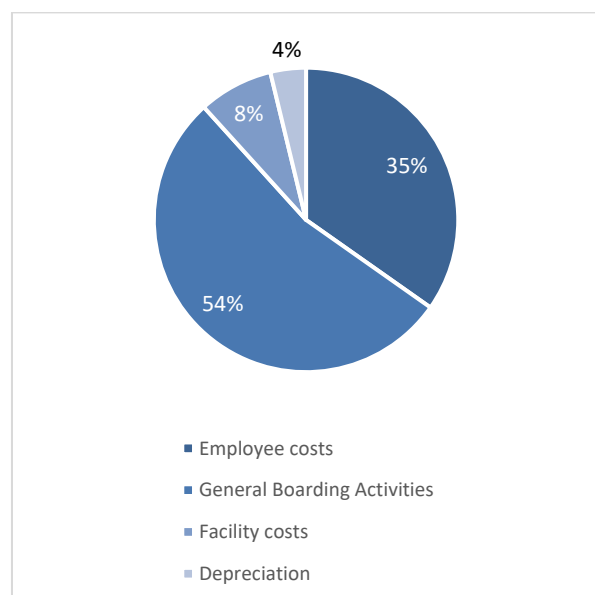
Boarding Fees (local)	90.0%
Boarding Fees (International)	10.0%
	<u>100%</u>

Boarding House expenditure throughout the 2022 year is as follows:

Employee Costs	35.0%
General Boarding activities	54.0%
Facility Costs	8.0%
Depreciation	4.0%
	<u>100%</u>



■ Boarding Fees (Local)  
■ Boarding Fees (International)



■ Employee costs  
■ General Boarding Activities  
■ Facility costs  
■ Depreciation

# 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:

	<b>2022</b>	<b>2021</b>
Bursaries	12	29
Indigenous Scholarships	5	5
Other Scholarships	49	48
Discounts	26	14
	<b>92</b>	<b>96</b>

## 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 2022. 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 2022 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 2022, the impacts of the COVID-19 pandemic reduced and the School was able to largely return to normal for the majority of the Year, albeit with a degree of trepidation in the early months that was echoed by our Community. The School has been affected by the high inflation rates which have resulted from COVID-19 related lockdowns, supply chain issues and increased labour costs. Following on from the rapid changes to learning that were experienced during 2020 and 2021, the School continues to monitor and adjust to the way programs are delivered, with face to face learning prioritised in 2022. We would like to thank our parents, guardians and those who supported our Grammarians during the year. We continue to provide support to our Grammarians, through of wellbeing and other support staff. We greatly appreciate the adaptability and resilience our students and community have shown over the past few challenging years.

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 surplus of the Company for the year ended 31 December 2022 was \$715,116 (2021: \$3,456,708. The main reasons for the movement in our results year on year has been summarised below:

- Revenue increased from \$43,259,679 in 2021 to \$47,020,055 in 2022 due to an increase in enrolments in more senior year levels and greater participation in extra-curricular activities such as camps that did not occur in 2021 due to the COVID-19 pandemic.
- Employee benefits expenses increased from \$27,493,352 in 2021 to \$30,010,365 in 2022 due to an increase in teaching and non-teaching staff that was required to meet the demands of new programs offered by the School & the increase in enrolment numbers after the COVID-19 pandemic.
- Direct tuition expenses increased from \$2,325,356 to \$4,012,179 due to more activities being run in 2022 that were not run in 2021 due to the COVID-19 pandemic.
- Other expenses increased from \$2,649,755 in 2021 to \$4,064,038 in 2022 due to an increase in enrolment activities and rising costs caused by inflation in 2022.
- After considerable consultation, investigation and assessment, the School acquired 466 Punt Road, South Yarra for a purchase price excluding GST of \$7,075,000, with settlement occurring on 17 August 2022. This strategic acquisition provides enormous flexibility that is pivotal in enabling the School to shift several administrative teams to the new site and allow for expansion of learning spaces on the Merton Hall campus, in line with our vision for the future of girls' education. The acquisition is the first step on the path to achieve our master plan for the campuses.

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 (1<sup>st</sup> 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.

Dr Julie FAULKNER

Qualifications: PhD (Monash), MEdStudies (Monash), Dip Ed (Deakin), BA (Hons) (Monash)

Experience: Director since March 2013. Retired April 2022.

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.

The Revd Canon Heather PATACCA

Qualifications: BA, M.Div.

Experience: Director since January 2019. Resigned January 2022.

Mrs Anna PERMEZEL

Qualifications: BA (Melb)

Experience: Director since September 2014.

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: B. App.Sc (EDP)  
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 Mark Burgess (Chairman)	10	9	Mrs S Morgan	10	9
Mr N Appleton	10	10	Mr A Mytton	10	10
Dr J Faulkner	4	4	The Revd Canon H Patacca	0	0
Mrs C Wong	10	10	Mrs A Permezel	10	8
Mrs S Dugdale	6	6	Rev'd Dr S Rolfe	6	4
Mr D Kiriacoulacos	7	7	Mr H Stockdale	10	8
Mrs C Clark	10	7	Ms S Wilson	10	9
Rev'd Dr M Campbell	6	4			

- (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 surplus of the Company for the year ended 31 December 2022 was \$715,116 (2021: \$3,456,708). 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  
The bank loan facility with a limit of \$7,500,000, has been re-negotiated with NAB and will expire in October 2025. No other 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 2022 was 39 (2021: 37).
- (m) The auditor's independence declaration for the year ended 31 December 2022 has been received and is included on page 18.
- (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 10 May 2023.

**DATED AT South Yarra this 5<sup>th</sup> day of April 2023.**

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



**C Clark OAM**  
Deputy Chair

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

5 April 2023

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 2022, 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

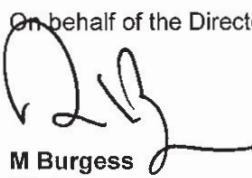
## DIRECTORS' DECLARATION

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 2022 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



C Clark OAM  
Deputy Chair

DATED AT South Yarra this 5<sup>th</sup> day of April 2023.

**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 2022**

	Note	2022 \$	2021 \$
<b>Revenue</b>	2	<u>47,020,055</u>	<u>43,259,679</u>
<b>Less Expenses</b>			
Employee benefits expense	3	30,010,365	27,493,352
Direct tuition expenses		4,012,179	2,325,356
Administrative expenses		2,326,201	1,981,674
Finance costs	3	25,156	37,817
Facility costs		2,519,767	2,232,349
Depreciation and amortisation expenses	3	3,697,232	3,582,668
Other expenses		4,064,039	2,649,755
		<u>46,654,939</u>	<u>40,302,971</u>
Surplus for the year (excluding revenue for capital projects)		365,116	2,956,708
Revenue for capital projects	2	350,000	500,000
		<u>715,116</u>	<u>3,456,708</u>
Surplus for the year (i)		715,116	3,456,708
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
<b>Total Surplus for the year</b>		<u><b>715,116</b></u>	<u><b>3,456,708</b></u>

(i) Surplus for the year is represented as follows:

Surplus before depreciation, amortisation, asset losses and write-offs and revenue for capital building projects		4,034,267	6,620,777
Depreciation and amortisation expense	3	(3,697,232)	(3,582,668)
Gain/(Loss) on sale or disposal of fixed assets	3	28,081	4,295
Revenue for capital building projects	2	350,000	500,000
Impairment of intangible assets	3	-	(85,696)
		<u>715,116</u>	<u>3,456,708</u>
<b>Surplus for the year</b>		<u><b>715,116</b></u>	<u><b>3,456,708</b></u>

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 2022**

	<b>Note</b>	<b>2022 \$</b>	<b>2021 \$</b>
<b>Current Assets</b>			
Cash and cash equivalents	4	470,597	5,684,112
Trade and other receivables	5	2,028,920	2,240,624
Inventory	6	378,973	261,401
Other assets	7	1,168,445	1,743,660
<b>Total Current Assets</b>		<b>4,046,935</b>	<b>9,929,797</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	70,615,160	64,676,576
Intangible assets	9	17,885	14,288
Right of use assets	10	324,912	518,143
<b>Total Non-Current Assets</b>		<b>70,957,957</b>	<b>65,209,007</b>
<b>Total Assets</b>		<b>75,004,892</b>	<b>75,138,804</b>
<b>Current Liabilities</b>			
Trade and other payables	11	2,582,468	3,538,784
Provisions	12	2,625,856	2,735,685
Other liabilities	13	10,981,027	11,621,159
Borrowings	14	1,500,000	-
Lease liabilities	18	196,314	196,601
<b>Total Current Liabilities</b>		<b>17,885,665</b>	<b>18,092,229</b>
<b>Non-Current Liabilities</b>			
Provisions	12	639,881	830,927
Other liabilities	13	532,834	783,038
Lease liabilities	18	142,403	338,717
<b>Total Non-Current Liabilities</b>		<b>1,315,118</b>	<b>1,952,682</b>
<b>Total Liabilities</b>		<b>19,200,783</b>	<b>20,044,911</b>
<b>NET ASSETS</b>		<b>55,804,109</b>	<b>55,093,893</b>
<b>Accumulated Funds</b>			
Retained surplus	15	55,804,109	55,088,993
Chapel fund	16	-	4,900
<b>TOTAL ACCUMULATED FUNDS</b>		<b>55,804,109</b>	<b>55,093,893</b>

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 2022**

	Note	2022 \$	2021 \$
<b>Cash Flow from Operating Activities</b>			
Receipts from parents		40,035,857	37,076,449
Receipts from government grants		5,536,622	5,250,534
Payments to suppliers and employees		(45,315,598)	(36,677,602)
Other receipts		2,303,069	1,159,980
Interest income		16,391	-
Finance costs		(25,156)	(37,817)
Donations received for capital purposes from related parties		350,000	500,000
		<u>2,901,185</u>	<u>7,271,544</u>
<b>Net cash provided by operating activities</b>	19(b)	<u><b>2,901,185</b></u>	<u><b>7,271,544</b></u>
<b>Cash Flow from Investing Activities</b>			
Proceeds from sale of property, plant & equipment		29,678	6,928
Purchase of property, plant & equipment		(9,435,992)	(1,382,002)
Purchase of intangible assets		(11,786)	(46,215)
		<u>(9,418,100)</u>	<u>(1,421,289)</u>
<b>Net cash used in investing activities</b>		<u><b>(9,418,100)</b></u>	<u><b>(1,421,289)</b></u>
<b>Cash Flow from Financing Activities</b>			
Net drawdown of external borrowings		1,500,000	-
Principal portion of lease repayment		(196,600)	(174,670)
Net repayments of borrowings from related parties		-	(1,595,684)
		<u>1,303,400</u>	<u>(1,770,354)</u>
<b>Net cash provided by/ (used in) financing activities</b>		<u><b>1,303,400</b></u>	<u><b>(1,770,354)</b></u>
<b>Net (decrease)/ increase in cash and cash equivalents</b>		<u><b>(5,213,515)</b></u>	<u><b>4,079,901</b></u>
Cash and cash equivalents at beginning of the year		5,684,112	1,604,211
<b>Cash and cash equivalents at end of the year</b>	19(a)	<u><u><b>470,597</b></u></u>	<u><u><b>5,684,112</b></u></u>

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 2022**

	Retained Surplus	Chapel Fund	Total
<b>Balance at 1 January 2021</b>	<b>51,632,285</b>	<b>4,900</b>	<b>51,637,185</b>
Surplus for the year	3,456,708	-	3,456,708
<b>Total Comprehensive Income for the Year</b>	<b>3,456,708</b>	<b>-</b>	<b>3,456,708</b>
<b>Total Changes in Equity</b>	<b>3,456,708</b>	<b>-</b>	<b>3,456,708</b>
<b>Balance at 31 December 2021</b>	<b>55,088,993</b>	<b>4,900</b>	<b>55,093,893</b>
Surplus for the year	715,116	-	715,116
<b>Total Comprehensive Income for the Year</b>	<b>715,116</b>	<b>-</b>	<b>715,116</b>
Expenditure of Chapel Fund		<b>(4,900)</b>	(4,900)
<b>Total Changes in Equity</b>	<b>715,116</b>	<b>(4,900)</b>	<b>710,216</b>
<b>Balance at 31 December 2022</b>	<b>55,804,109</b>	<b>-</b>	<b>55,804,109</b>

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 2022**

**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 5th April 2023.

**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:

<b>Class of Fixed Asset</b>	<b>Rate</b>
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*.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**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 2022**

**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 School 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.

**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 2022**

**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.

**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 2022**

**1 Statement of Accounting Policies cont'd**

**(m) Going Concern**

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 \$13,838,730 (2021: \$8,162,432) due to the classification of:

(i) prepaid fees, fees billed in advance and deferred enrolment fees of \$10,981,027 (2021: \$11,571,914) 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 \$2,476,692 (2021: \$2,563,255) which the Directors do not consider will be fully paid in the next twelve months based on past experience.

(iii) borrowings of \$1,500,000 (2021: \$0) are due to expire on 31 October 2023 which are in the process of being re-negotiated with NAB. \$1,500,000 of borrowings were repaid post year end once Term 2 2023 fees were invoiced and received.

Based on the above matters in addition to \$7.5m of unused debt facility at the date of this report which has been re-negotiated with NAB to October 2025, 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.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**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 previously prepared general purpose financial statements under Tier 2 – Reduced Disclosure Requirements. There were no transition adjustments other than some minor disclosure changes on the adoption of Australian Accounting Standards – Simplified Disclosures.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>2. Revenue</b>		
<i>Operating activities</i>		
Provision of services:		
Tuition	37,027,067	36,173,813
Boarding fees	2,214,580	2,164,802
Application fees	81,771	73,263
Other fees	3,372,203	1,647,600
Scholarships, discounts & bursaries	(2,847,030)	(2,821,834)
Government grants (recurrent)	5,033,293	4,773,213
Interest income on cash and cash equivalents	16,391	-
Other income	1,931,780	1,050,498
	<u>46,830,055</u>	<u>43,061,355</u>
<i>Non-operating activities</i>		
Donations for recurrent purposes from related parties	190,000	198,324
	<u>190,000</u>	<u>198,324</u>
Revenue	<u><b>47,020,055</b></u>	<u><b>43,259,679</b></u>
<i>Revenue for capital projects</i>		
Donations for capital purposes from related parties	350,000	500,000
	<u>350,000</u>	<u>500,000</u>
<b>Total Revenue</b>	<u><b>47,370,055</b></u>	<u><b>43,759,679</b></u>
Included in Total Revenue above were:		
Total donations	540,000	698,324
<b>3. Surplus for the Year</b>		
Surplus for the year has been derived after the following items of expenditure:		
Employee Benefits expense:		
- short term employee benefits	27,337,352	25,182,434
- post employment benefits (defined contribution plans)	2,673,013	2,310,918
Total employee benefits expense	<u><b>30,010,365</b></u>	<u><b>27,493,352</b></u>
Depreciation of non-current assets:		
- building	2,163,207	2,029,945
- improvements	70,930	50,900
- motor vehicles	20,948	21,530
- furniture & equipment	1,240,727	1,300,668
Total depreciation expense	<u>3,495,812</u>	<u>3,403,043</u>
Depreciation of right of use assets	193,231	177,834
Amortisation of intangible assets:		
- trademarks	8,189	1,791
Total amortisation expense	<u>8,189</u>	<u>1,791</u>
Total depreciation and amortisation expense	<u><b>3,697,232</b></u>	<u><b>3,582,668</b></u>
Gain on sale or disposal of fixed assets	<u>(28,081)</u>	<u>(4,295)</u>
Impairment of Intangible Assets	<u>-</u>	<u>85,696</u>
Operating lease rental expenses for low value assets or short term arrangements	<u>17,265</u>	<u>138,336</u>
Remuneration of the auditors for:		
- audit of accounts	39,000	37,000
- risk advisory services	-	63,450
- other audit services	-	5,250
The auditor is Deloitte Touche Tohmatsu.	<u>39,000</u>	<u>105,700</u>



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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
<b>3. Surplus for the Year (Continued)</b>		
Finance costs:		
- interest paid to related parties	-	22,940
- interest paid to financial institutions	14,769	799
- interest on leased assets	10,387	14,078
Finance costs expensed	<u>25,156</u>	<u>37,817</u>
<b>4. Cash and Cash Equivalents</b>		
Cash on Hand	1,200	2,900
Cash at Bank	469,397	5,681,212
	<u>470,597</u>	<u>5,684,112</u>
<b>5. Trade and Other Receivables</b>		
Family Debtors	1,679,171	2,504,107
Less Provision for doubtful debts (i)	(329,530)	(589,874)
	<u>1,349,641</u>	<u>1,914,233</u>
Related Parties	54,672	59,805
Other Debtors	624,607	266,586
	<u>2,028,920</u>	<u>2,240,624</u>
<b>(i) Movement in provision for doubtful debts</b>		
Balance at beginning of the year	(589,874)	(1,100,808)
Amounts recovered during the year	294,307	554,665
Impairment losses recognised on receivables	(85,867)	(52,887)
Amounts written off from provision during the year as uncollectable	51,904	9,156
<b>Balance at the end of the year</b>	<u>(329,530)</u>	<u>(589,874)</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>		
<b>6. Inventory</b>		
Uniform Shop Inventory	378,973	261,401
	<u>378,973</u>	<u>261,401</u>

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	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>7. Other Assets</b>		
Prepayments	1,150,268	1,694,415
Monies held on trust		49,245
Rental bonds	18,177	-
	<u><b>1,168,445</b></u>	<u><b>1,743,660</b></u>
<b>8. Property, Plant and Equipment</b>		
Freehold Land at cost	9,290,688	2,211,961
Freehold Land Improvements at cost	2,095,387	2,095,387
Provision for depreciation	(1,359,464)	(1,288,534)
	<u><b>10,026,611</b></u>	<u><b>3,018,814</b></u>
Buildings at cost	80,093,591	78,224,126
Provision for depreciation	(25,166,792)	(23,003,585)
	<u><b>54,926,799</b></u>	<u><b>55,220,541</b></u>
Furniture & Equipment at cost	23,048,349	21,687,369
Provision for depreciation	(18,741,694)	(17,501,570)
	<u><b>4,306,655</b></u>	<u><b>4,185,799</b></u>
Motor Vehicles at cost	501,659	483,385
Provision for depreciation	(399,218)	(434,556)
	<u><b>102,441</b></u>	<u><b>48,829</b></u>
Capital Work in Progress	<u><b>1,252,654</b></u>	<u><b>2,202,593</b></u>
Total Property, Plant and Equipment	<u><b>70,615,160</b></u>	<u><b>64,676,576</b></u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**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 \$
<b>2021</b>						
Opening balance	3,069,714	57,222,912	4,942,196	51,941	1,413,486	66,700,249
Additions	-	27,574	533,024	18,418	802,986	1,382,002
Disposals	-	-	(2,632)	-	-	(2,632)
Transfer	-	-	13,879	-	(13,879)	-
Depreciation	(50,900)	(2,029,945)	(1,300,668)	(21,530)	-	(3,403,043)
<b>Closing balance</b>	<b>3,018,814</b>	<b>55,220,542</b>	<b>4,185,799</b>	<b>48,829</b>	<b>2,202,593</b>	<b>64,676,576</b>
<b>2022</b>						
Opening balance	3,018,814	55,220,542	4,185,799	48,829	2,202,593	64,676,576
Additions	7,078,727	179,626	830,076	31,360	1,316,203	9,435,992
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)
<b>Closing balance</b>	<b>10,026,611</b>	<b>54,926,799</b>	<b>4,306,655</b>	<b>102,442</b>	<b>1,252,654</b>	<b>70,615,160</b>

**9. Intangible Assets**

	2022 \$	2021 \$
Trademarks	4,068	10,427
WIP Intangibles	13,817	3,861
	<b>17,885</b>	<b>14,288</b>

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

	Trademarks \$	Software \$	Work in Progress \$	Total \$
<b>2021</b>				
Opening balance	12,218	22,505	20,837	55,560
Acquisitions	-	-	46,215	46,215
Transfers	-	-	-	-
Impairment loss	-	(22,505)	(63,191)	(85,696)
Amortisation	(1,791)	-	-	(1,791)
<b>Closing balance</b>	<b>10,427</b>	<b>-</b>	<b>3,861</b>	<b>14,288</b>
<b>2022</b>				
Opening balance	10,427	-	3,861	14,288
Acquisitions	-	-	11,786	11,786
Transfers	1,830	-	(1,830)	-
Amortisation	(8,189)	-	-	(8,189)
<b>Closing balance</b>	<b>4,068</b>	<b>-</b>	<b>13,817</b>	<b>17,885</b>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
<b>10. Right of use assets</b>		
Property at cost	635,020	635,020
Provision for amortisation	(377,473)	(250,469)
	<b>257,547</b>	<b>384,551</b>
Motor Vehicles at cost	264,911	264,911
Provision for amortisation	(197,546)	(131,319)
	<b>67,365</b>	<b>133,592</b>
<b>Total Right of use assets</b>	<b>324,912</b>	<b>518,143</b>

(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 \$	Total \$
<b>2021</b>			
Opening Balance	496,158	199,819	695,977
Additions	-	-	-
Depreciation	(111,607)	(66,227)	(177,834)
<b>Closing balance</b>	<b>384,551</b>	<b>133,592</b>	<b>518,143</b>
<b>2022</b>			
Opening Balance	384,551	133,592	518,143
Additions	-	-	-
Depreciation	(127,004)	(66,227)	(193,231)
<b>Closing balance</b>	<b>257,547</b>	<b>67,365</b>	<b>324,912</b>

**11. Trade and other payables**

**Current**

Trade creditors	256,390	418,265
Sundry creditors & accruals	2,326,078	3,120,519
	<b>2,582,468</b>	<b>3,538,784</b>

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

**12. Provisions**

**Current**

Provisions (i)	149,164	172,430
Employee entitlements (ii):		
Annual leave	650,066	741,425
Long service leave	1,826,626	1,821,830
	<b>2,625,856</b>	<b>2,735,685</b>

**Non-current**

Employee entitlements (ii):		
Long service leave	639,881	830,927
	<b>639,881</b>	<b>830,927</b>

(i) Movement in provision for Old Grammarians contribution:

Balance at the beginning of the year	172,430	172,169
Amounts charged to profit or loss	14,709	35,961
Amount paid during the year	(37,975)	(35,700)
	<b>149,164</b>	<b>172,430</b>

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	3,116,572	3,394,182
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 \$	2021 \$
<b>13.</b>	<b>Other Liabilities</b>		
	<b>Current</b>		
	Term Fees in Advance	9,555,918	9,304,022
	Advance Fees	1,240,644	2,043,920
	Monies held on trust	-	49,245
	Deferred enrolment fees	184,465	223,972
		<b>10,981,027</b>	<b>11,621,159</b>
	<b>Non-Current</b>		
	Deferred enrolment fees	532,834	783,038
		<b>532,834</b>	<b>783,038</b>
<b>14.</b>	<b>Borrowings</b>		
	<b>Current</b>		
	<b>Secured</b>		
	Bank loans secured at amortised cost (i) (ii)	1,500,000	-
		<b>1,500,000</b>	<b>-</b>
(i)	Secured bank loan facility:		
	Amount used	1,500,000	-
	Amount unused	6,000,000	7,500,000
		<b>7,500,000</b>	<b>7,500,000</b>

The facility limit is currently \$7,500,000 (2021: \$7,500,000) and expires on 31 October 2023.

The Company also has an asset finance lease facility for \$750,000 (2021: \$750,000). The used portion of this facility is \$Nil (2021: \$Nil).

- (ii) Bank loans have an interest rate of 3.6589% (2021: 1.69%) 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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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 \$	2021 \$
<b>15</b>	<b>Retained Surplus</b>		
	Balance at the beginning of the year	55,088,993	51,632,285
	Total comprehensive income for the year	715,116	3,456,708
	Balance at the end of the year	<u>55,804,109</u>	<u>55,088,993</u>
<b>16.</b>	<b>Chapel Fund Reserve</b>		
	Balance at the beginning of the year	4,900	4,900
	Balance at the end of the year	<u>-</u>	<u>4,900</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 cleared out in 2022 and will no longer be used.		
<b>17.</b>	<b>Commitments</b>		
(a)	<b>Future Lease Commitments</b>		
	Payable not later than 1 year	41,927	216,336
	Payable later than 1 but not later than 5 years	-	-
		<u>41,927</u>	<u>216,336</u>
	Lease commitments in 2022 & 2021 consist of leased printers and photocopiers. As the value of each printer and photocopier did not meet the minimum cost threshold for recognition within AASB 16, they have not been capitalised in the balance sheet.		
(b)	<b>Capital Expenditure Commitments</b>		
	Capital expenditure commitments		
	Contracted for capital expenditure projects	863,101	475,265
		<u>863,101</u>	<u>475,265</u>
	The capital commitments are payable not later than 1 year.		
<b>18.</b>	<b>Lease Liability</b>		
	Current		
	Lease liability	196,314	196,601
		<u>196,314</u>	<u>196,601</u>
	Non-Current		
	Lease liability	142,403	338,717
		<u>142,403</u>	<u>338,717</u>
<b>19.</b>	<b>Notes to the Statement of Cash Flows</b>		
(a)	Reconciliation of cash for the purposes of the Statement of Cash Flows. Cash includes cash on hand and at call deposits with banks or financial institutions.		
	Cash at the end of the year is shown in the Statement of Financial Position as:		
	Cash on hand	1,200	2,900
	Cash at bank	469,397	5,681,212
	<b>Cash and cash equivalents</b>	<u>470,597</u>	<u>5,684,112</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 \$	2021 \$
<b>19. Notes to the Statement of Cash Flows (cont'd)</b>		
(b) Reconciliation of Cash Flow from Operations with Operating Surplus		
Surplus for the year	715,116	3,456,708
<i>Non Cash Flows in Operating Surplus:</i>		
(Gain)/ Loss on sale or disposal of fixed assets	(28,081)	(4,295)
Depreciation and Amortisation	3,697,232	3,582,668
Impairment loss of intangibles	-	85,695
Bad and doubtful debt expense	(260,344)	(510,934)
Revenue offset against related party loan	-	(190,000)
<i>Change in Assets &amp; Liabilities:</i>		
Decrease/(Increase) in Trade and Other Receivables	472,048	673,753
(Increase)/ Decrease in Inventory	(117,572)	11,303
(Increase)/ Decrease in Other Assets	575,215	(600,699)
Increase/ (Decrease) in Trade and Other Payables	(956,317)	1,058,654
Increase/ (Decrease) in Provisions	(305,776)	82,376
(Decrease)/ Increase in Other Liabilities	(890,336)	(373,685)
Net Cash Provided by Operating Activities	<b>2,901,185</b>	<b>7,271,544</b>

**20. 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 39 members at 31 December 2022 (2021: 37).

**21. Events After The Reporting Date**

The bank loan facility with a limit of \$7,500,000, has been re-negotiated with NAB and will expire in October 2025.

No other 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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**22. Contingent Assets & Liabilities**

There are no contingent assets or liabilities in existence at reporting date.

**23. Key Management Personnel Compensation**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Compensation to key management personnel	2,500,049	2,150,632

The number of personnel within this group averaged 11 during the year (2021: 10).

**24. Related Party Transactions**

A donation of \$190,000 (2021: \$190,000) has been made by the Merton Hall Foundation Endowment Fund.

A donation of \$250,000 (2021: \$500,000) has been made by the Merton Hall Foundation Building Fund.

A donation of \$100,000 (2021: \$0) has been made by the Parents Association of Melbourne Girls Grammar.

An amount of \$54,272 (2021: \$59,805) owed by the Merton Hall Foundation has been recognised in Trade and other receivables, and \$35,852 (2021: \$48,200) owed to the Merton Hall Foundation has been recognised in trade and other payables.

**25. Financial Instruments**

	<b>2022</b>	<b>2021</b>
The Company holds the following financial instruments at amortised cost:		
Trade and other receivables	2,028,920	2,240,624
	<b>2,028,920</b>	<b>2,240,624</b>
Trade and other payables	2,582,468	3,538,784
Other liabilities	11,513,861	12,404,197
Borrowings	1,500,000	-
Lease liabilities	338,716	535,318
	<b>15,935,045</b>	<b>16,478,299</b>



## 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 2022, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Directors as set out on pages 19 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 2022 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 Regulation 2013*.

### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 Entity's annual report for the year ended 31 December 2022, 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.



DELOITTE TOUCHE TOHMATSU



Peter Glynn  
Partner  
Chartered Accountants  
Melbourne, 5 April 2023