



AGM Report from the Treasurer of The Beehive Montessori School

Treasurer's Report for the year ending 31 December 2023

Good evening and welcome.

The role of the Finance Committee includes:

- Formulation and monitoring of the budget and reporting monthly to the Board the management accounts of the school.
- Advising the Board on the setting of fees and charges and having the budget approved.
- Management of the school's finances and assets.
- General advice to the School Board on matters of a financial management nature.

I would personally like to thank the Finance Committee for their work throughout the year. The members are:

- Elisa Main - the schools Business Manager who continues to do an excellent job in the day-to-day management of the finance requirements of the school.
- Bronwyn Hope - the Principal for the operational input that the finance team requires to formulate budgets and other financial issues that arise in the operation of the school.
- Andrew Hull - our independent Finance Consultant who I would like to thank for his commitment and for his diligence in his role with all things financial.
- Matthew Lowth - our new addition to the team who brings with him a wealth of experience in accounting and commerce.

Financial Position as at December 31 2023

The details of the Beehive Montessori School Inc as at the 31 December 2023 are set out in the financial reports to be tabled at this AGM.

Balance Sheet

The Balance Sheet of The Beehive continues to remain strong as reflected by our accumulated funds/net assets of \$6,362,759.

This is made up of current asset of \$235,191, plus non-current assets of \$11,405,639; current liabilities of \$676,319 and non-current liabilities of \$4,601,752. These are detailed in the notes of the audited accounts.

Income Statement

The total profit for the year of 2023 from recurrent operations is \$78,050 including depreciation expenses of \$297,933. There was a non-recurrent operating surplus of \$291,109, which gave the school a net operating surplus of \$369,159 for the 2023 year.

Total Income increased from \$4,349,023 in 2022 to \$4,745,477. Grants increased from \$1,778,511 in 2022 to \$1,932,560.

Employee expenses increased from \$3,096,762 in 2022 to \$3,396,232 in 2023 which is an increase of approx. 10%.

The Beehive Montessori School Inc.

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Other expenses increased from \$721,982 to \$805,291, approximately 12%.

The School is very dependent on its income from both State and Commonwealth Government Grants and School fees: 38% of the School's income was from Government Grants, 48% comes from School fees, and the balance from working bee levy, interest and other income such as fundraising activities which is essential for a School of Beehive's size. These items are detailed on Page 13 of the Audited accounts.

As the School's main source of revenue is from School fees and Grants any downturn in student numbers impacts on the financials of the school.

2024 Budget

For the 2024-year, Beehive will continue to have its challenges. Not only the daily operational issues associated with ensuring that that School remains fiscally strong to meet current and future requirements, the other key future financial issues for the school include:

- Funding changes by the Federal and State Governments may impact on the Grant income for the school.
- Impact of inflationary pressure in the economy.

I know that the School's current and future Finance Committee will meet any challenges and manage them in a professional manner in conjunction with the Board.

In the 2024 Budget the School anticipates an operating deficit of \$148,435. This includes \$319,405 for depreciation and \$16,786 for increased long service leave provision, which equates to a net cash surplus of \$154,185 however with capital expenditure for the 2024 year budgeted at \$1,601,111 for proposed new buildings, it leaves BMS with a cash deficit (Exc Depn) and before Capital Funding of \$1,446,926. Capital funding will come from a combination of sources including the Foundation, low interest loans, and grants where available.

The Finance Committee works closely with the Board and will continue to monitor the budget to ensure the schools remains financially sound over the coming years.

The 2023 Financial Accounts have been presented and accepted by the School's Board as representing a true and fair view of the School's financial position after receiving a clear audit report, from the School's auditors Francis A Jones.

I move that the Association accept the 2023 Audited Financial Statements. Appointment and Remuneration of Auditors to be decided by the Board.

Thank you,

Aaron Whitelaw
Treasurer