

# AGM Finance Report 2023

Niamh McKeough

## Overview

Each year the Christ the King (CTK) School Board endeavours to ensure that our School (CTK) continues to maintain a sound financial position. The budget is planned and expended to support and facilitate learning resources and delivery, human resources and infrastructure of the highest quality for CTK's students, staff and parents. The Finance Committee reports to the School Board and jointly they are responsible for the approval of the school budget and signing off on the annual financial statements at the end of each school year.

The Finance Committee in 2022 comprised of Principal Helena Card (Term 1), Matthew Perry Acting Principal (Terms 2-4), Niamh McKeough Finance Officer and parents Jason Gunther Chairperson of the Board, Rebecca Tscheresch Finance Committee Chairperson - resigned during Term 3, Craig Abbott – resigned after Term 2, Jonathan Carr incoming Finance Committee Chairperson joined the finance committee in Term 3. As part of the accountability process, KPMG audits the school accounts which occurs in January/February for the prior year. The school board signs off on the Financial Reports which are then forwarded to the Catholic Education Office, who are responsible for reporting on the expenditure of Government funding.

Finance goals for CTK in 2022 included professional development for staff such as working with Dr Lisa Jane O'Connor with a particular focus on mathematics from Reception through to year 6, continuation of the Leader of Learning resource, IT: planned and executed the change to 1:1 iPads for years 2-5 and 1:1 laptops for year 6. Passtab was introduced in the front office as an electronic recording of student's late arrivals and/or early departures, visitors and staff members on school grounds, we also included the first aid and key register modules.

In 2022, CTK embraced the goal of making Catholic Education more affordable by maintaining its 2021 school fees. CTK also supported this goal by ensuring Term 3 enrolling reception students were exempt from school fees for Terms 3 & 4. Covid remained a challenge in 2022, particularly in Term 1, causing restrictions to both school and community gatherings, it prompted the need for financial assistance for some families and due to temporary replacement teacher (TRT) shortages throughout the state, the leadership team taught in classes to ensure continuity of learning and avoided close contact amongst our students.

## 2022 Results

At the time of issuing this report, the audited financials were not available, all reference to 2022 figures relate to unaudited results.

### CASHFLOW 2022

Net cash flow movement for 2022 resulted in a deficit of -\$61,623. The 2022 budgeted amount was a deficit balance of -\$83,553. This resulted in a favourable variance against budget of \$21,929.

CASHFLOW HIGHLIGHTS 2022 – unaudited results		
	2022 ACTUAL	2022 BUDGET
CASH INFLOW	2,587,870	2,391,026
CASH OUTFLOW	(2,510,632)	(2,347,195)
TOTAL ASSETS	(84,100)	(66,375)
TOTAL LIABILITIES	(54,761)	(61,008)
(Deficit)/Surplus	(61,623)	(83,553)

Factors contributing to this deficit were:

- Labour costs due to small class sizes in particular Year 5 with only 10 students
- Payment of 2 Principal wages due to unforeseen circumstances (Helena on personal leave for 2 terms)

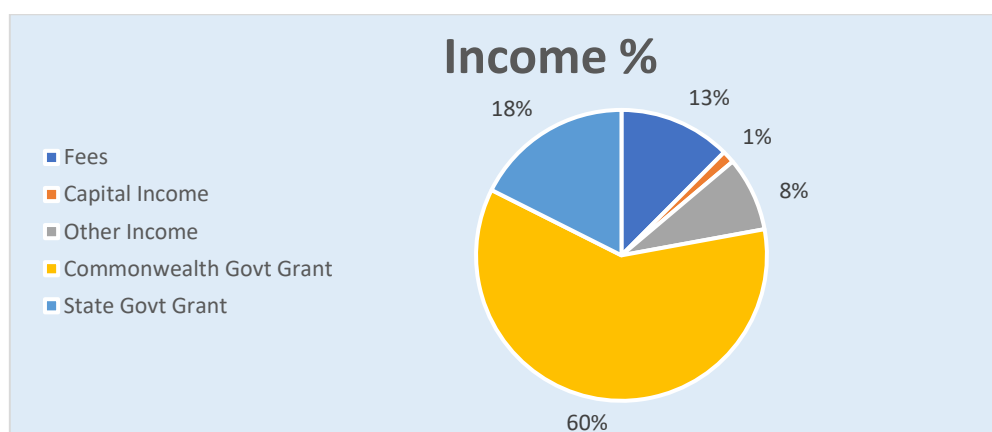
## **INCOME**

### **RECURRENT INCOME 2022**

Recurrent income for 2022 was \$2.576m compared to \$2.569m in 2021, an increase of \$7K.

Revenue & Expenditure	2022	2021
<b>INCOME</b>		
Total Recurrent Income	\$ 2,541,156	\$ 2,529,698
Total Capital Income	\$ 35,690	\$ 39,579
<b>TOTAL INCOME</b>	<b>\$ 2,576,846</b>	<b>\$ 2,569,277</b>

78% of CTK's recurrent income was represented by Australian Govt funding of \$1.554m (60%) and State Govt funding of \$453K (18%). Australian and State Government funding is directly related to student numbers as at the Census in August 2022 and includes Reception students commencing in Term 3, 2022. CTK received an increase in funding despite an increase in DMI (Direct Measure of Income) from 97 to 99 in 2022. In addition, NCCD (Nationally Consistent Collection of Data) numbers increased which impacted positively in CTK's funding. Income from school fees totalled \$321K which represented 13% of total income. Other income at 8% includes items such as COVID19 support, LSL, rent for school facilities etc. In 2021, a new price-point strategy was introduced across all Catholic Schools, CTK are now required to show 10% of our tuition charge as capital income.



### **Enrolments**

In 2022, we began the year with 138 students (150 students in Feb 2021). We enrolled 1 more student in Term 2. Together with the midyear Reception intake of 4 students, this took total student numbers to 143 for our August 2022 census.

Year	R	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	TOTAL PRIMARY
2020	23	20	26	27	18	20	21	155
2021	22	27	21	22	18	20	20	150
2022	18	25	24	19	22	12	18	138

## Tuition Fee Income

In 2022, Christ the King School invoiced \$417,600 of school fees net of discounts.

Our 2022 fee structure was

Tuition Fee	\$2,900 Reception to Year 2
	\$2,960 Years 3 & 4
	\$3,180 Year 5
	\$3,740 Year 6

To assist with the affordability of Catholic Education, school fees remained the same as 2020 & 2021. Christ the King School continued to provide support to families who were impacted by Covid and other hardships.

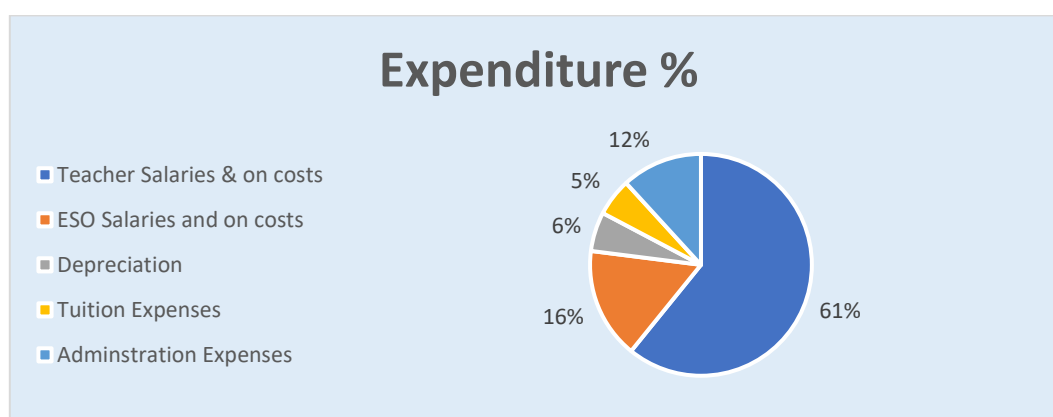
## EXPENDITURE

### RECURRENT EXPENDITURE 2022

Due to having a deficit budget going into 2022, school expenditure was closely monitored. There was an emphasis on seeking savings where evident without compromising educational outcomes or commitment to our community. CTK's recurrent expenditure totalled \$2.622M in 2022 in comparison to 2.512M in 2021.

EXPENDITURE	2022	2021
Total Tuition Expenses	\$ 1,974,859	\$ 1,807,524
Total Administration Expenses	\$ 646,953	\$ 704,894
<b>TOTAL EXPENDITURE</b>	<b>\$ 2,621,812</b>	<b>\$ 2,512,418</b>

Teaching salaries and on costs represented \$1.595m or 61% of recurrent expenditure. This compares to \$1.402m in 2021. This increase is as a result of paying 2 principals salaries plus on costs for Terms 3 & 4 of 2022 due to personal leave of Helena Card. ESO Salaries and on costs represented \$424K(16%) in 2022, a decrease of \$27K compared to \$451K in 2021, this would be consistent with the reduction in student enrolments in 2022 compared to 2021. Tuition expenses such as stationery, sport, curriculum related expenses, excursions, IT etc amounted to almost \$144K or 5% in 2022, whilst administration expenses such as rates, utilities, levies, marketing, interest on loan etc accounted for 12% or \$309K.



## DEBTORS

Past family debts	\$ 8,366 (3 families)
Current Debtors	\$ 594

Every outstanding account has been addressed and collections for all accounts are in place – this takes time and monitoring.

A big thank you to all families who commit to paying their school fees every year as per the guidelines on our fees policy. We hope that the flexible payment arrangements offered by CTK make school fee payments as easy as possible for our families.

## CAPITAL EXPENDITURE

Key capital expenditure items in 2022 (replacement or refurbishment) include:

• 3 x Air Conditioners	\$14,237
• Fence upgrade Walkley Avenue	\$18,500
• 25 x Laptops	\$20,550
• 10 x iPads	\$ 5,214
• Principal Laptop	\$ 1,818
• WAN Internet upgrade	\$ 8,243
• New Server	\$ 4,872
• Café Table & Chairs	\$ 2,470
• Stools in JAM Room	<u>\$ 2,040</u>
<b>TOTAL</b>	<b><u>\$77,944</u></b>

## BANK BALANCE

### Main operating account

31/12/22	\$ 703,437
31/12/21	\$ 765,061
31/12/20	\$ 609,120

CTK are in a healthy position with regards to the current bank balance.

### Borrowings

31/12/22	\$ 367,265
31/12/21	\$ 428,289
31/12/20	\$ 486,070

The outstanding loan relates to the 2018 Classroom Refurbishment Project. Interest rates remained stable at 2.75% from September 2021 throughout 2022. There are 64 months (5yrs 4 mths) of payments remaining on this loan. We expect interest rates to rise in 2023 in line with the recent Australian Central Bank increases.

## PARENTS & FRIENDS

Event	Amount Raised	Event	Amount Spent
Colour Run	\$ 4,180	Storage boxes	\$ 54
Wine sales	\$ 2,054	Basketball Singlets (bal from 2021)	\$ 163
Raffles	\$ 2,002	Hopscotch	\$ 729
Quiz Night	\$ 1,456	Bike Rack	\$ 4,281
2nd Hand Uniforms	\$ 1,020	Helena flowers	\$ 44
Mother's Day	\$ 847	Christmas Party	\$ 1,462
Feast Day BBQ	\$ 790		
Disco	\$ 622	<b>Total Amount Spent</b>	<b>\$ 6,733</b>
Special food days	\$ 478		
Casual Days	\$ 230		
Crazy Sock Day	\$ 171		
Father's Day	\$ 165		
Ice blocks	\$ 132		
Sports Day	\$ 74		
Entertainment Book	\$ 66		
School banking	\$ 17		
<b>Total Amount Raised</b>	<b>\$ 14,303</b>		

<b>P&amp;F PROFIT C/F to 2023</b>	<b>\$7,570</b>
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## BUDGET 2023

The Finance Committee have reviewed and recommended the 2023 budget to the board and the board ratified this on 7<sup>th</sup> November 2022. For the 2023 budget, CTK are projecting a cash flow deficit of -\$27,684 and enrolments of 144 students, inclusive of the term 3 intake. The decreased deficit is favourable in comparison to 2022 and has been prompted by having 6 classes in 2023 (composite 5/6 class) instead of the usual 7 classes. Tuition expenditure has decreased due to having 1 less teacher, however, admin expenditure has increased as we are paying for 1 extra full time ESO.

	145 ACTUAL 2022	144 BUDGET 2023
RECURRENT INCOME	2,552,911	2,439,025
TUITION EXPENDITURE	-1,998,780	-1,836,739
ADMIN EXPENDITURE	-488,567	-525,645
NC CAPITAL EXPENDITURE	-60,785	-45,775
LOAN REPAYMENTS	-61,025	-61,549
TRADING ACCOUNTS	11,673	1,500
MISCELLANEOUS	-17,051	1,500
SURPLUS/-DEFICIT	-61,624	-27,684

CTK wishes to acknowledge the contribution of its parent representatives to the Finance Committee: Rebecca, Craig, Jonathan & Jason and thank them for their counsel and collaboration during 2022.

**Niamh McKeough**  
Finance Officer