

**THE LAUNCESTON PREPARATORY SCHOOL INC**

**TREASURER'S REPORT ON  
2020 FINANCIAL STATEMENTS  
ADDRESS TO ANNUAL GENERAL MEETING, WEDNESDAY, 24 MARCH 2020**

On behalf of your Board of Management, I am pleased to present the 2020 Financial Statements of The Launceston Preparatory School to you, its members.

Firstly, I can confirm to you that your School is solvent – that is, it is able to pay its debts as and when they fall due.

I am pleased to announce that for the year ended 31 December 2020 the audited accounts of The Launceston Preparatory School show a net surplus of \$287,244, positive cash flows and a strong balance sheet.

I do not intend in this forum to provide a detailed commentary around the financial statements which are available for you all to view and I am more than happy to take any specific questions you might have. Our auditors would have been here tonight but send their apologies due to illness.

Over the past 12 months, your Board has developed the School's strategic plan for 2021 and beyond and continued reinvestment into school facilities and resourcing will be a significant focus. We are all fortunate that through prudent management and planning by our current and previous Boards as well as the School's management team, we are financially well positioned to deliver on these strategic priorities.

2020 was a significant year for The Launceston Preparatory School. I am proud of our Board's decision to provide a 50% discount in fees for a portion of last year during our school closure due to Covid-19, a decision reflective of sharing the financial burden on families and also providing some capacity for those to be able to spend more time with their children whilst learning from home.

Your Board is well aware of the impact of tuition fees on family budgets. We have continued to maintain small increases of 1.5% for the past five years, or \$107 per year per student, noting these are below the cost of inflation.

We do, however, continue to face uncertainties moving forward:

Government funding is transitioning to a new funding model based off the household income rather than demographic profiling. At this point, the data and methodologies remain uncertain; however, based on current information, it appears we will see a relative decline in Government funding under the new model which is due to be implemented progressively in the coming years.

I am pleased to announce that our auditors (Crowe) have issued an unqualified (i.e. clean) audit report for the 2020 financial statements.

## **ACKNOWLEDGEMENT**

I would like to thank fellow Members of the Board of Management, our Co-Principals and staff for their dedication, hard work and prudent management. I would also like to thank our Business Manager Jody, whose diligence and commitment to maintaining the school's financial performance is in no small part of the results I am proud to deliver tonight.

Finally, I would like to move the motion:

*That the report on the Financial Statements and affairs of the Association and the Auditor's Report be approved.*

**Michael Howard**  
**Treasurer, The Launceston Preparatory School**  
**24/3/2021**