



Annual Report

2020-21

Australian Childcare Alliance Victoria

Tel 03 9532 2017
Facebook @childcarealliancevic
Twitter @ChildcareVic

Suites 1&2, 10A Atherton Rd www.vic.childcarealliance.org.au
Oakleigh, VIC, 3166 vic@childcarealliance.org.au

Contents

President's Report	1
Our Vision, Mission, Objectives and Values	3
2020/2021 Strategic Focus Areas	3
1. Service Delivery	4
2. Membership Satisfaction & Growth	8
Membership Growth	10
3. Advocacy	10
4. Sector Relationships	12
5. Communication and Brand Awareness	13
6. Financial growth	15
Looking Ahead	16
Treasurer's Report	18
Financial Statements	20
Statutory Balance Sheet	20
Statutory Profit and Loss Statement	21
Statutory of Changes in Equity	21
Statement of Cash Flows	22
Note to the Financial Statements	23
Independent Auditor's Report	27
Contact Information	30
Company Information	31

To Our Members

“Victoria was yet again hit hard by the COVID-19 pandemic, with Melbourne in lockdown for 111 days.”

President’s Report

Dear Member,

We are pleased to present to you the Annual Report for the Australian Childcare Alliance (ACA) Victoria for the 2020-2021 financial year. This report covers operations that took place within the **1 July 2020 – 30 June 2021** time period.

During this financial year, ACA Victoria and indeed our members, had a very challenging year mired by the impacts of COVID-19. Despite this, we continued to move in a positive direction, refitting the new office premises, revising our strategic plan, growing our work team and building on our membership numbers.

During this financial year Prime Minister Scott Morrison was in his second year of his term, with Education Minister Dan Tehan replaced by Minister Alan Tudge in December 2020. At the state level Victorian Premier Daniel Andrews was just over two years into his four year term.

During this financial year Victoria was yet again hit hard by the COVID-19 pandemic, with Melbourne in lockdown for a total of 111 days, spanning from July 8 – October 27 2020, five days in mid-February, two weeks in May-June, 12 days in July, and from August 5, 2021 to current day. Regional Victoria also experienced lockdowns, but these did not match the length and severity of those in the metropolitan Melbourne areas.

This year our key focus was yet again responding to the immediate impact of these lockdowns along with the efforts to contain the spread of the virus.

Following ACA’s political engagement at both national and state levels with relevant Ministers and government departments, which focused on the devastating financial impact on Victorian early learning services, in September 2020 the Australian Government announced the Recovery Package for the early learning sector, which ran from 28 September 2020 to 31 January 2021 and provided continued support for the sector in Victoria and nationally.

Our ACA President and ACA Victoria Vice President Paul Mondo played a critical role in these ongoing political discussions. You can read more about these activities under the Advocacy section of this report.

Meanwhile the ACA Victoria team, led by Business and Strategy Manager Philippa (Pip) Valder continued providing guidance and support to our members in the ever-changing

COVID-19 climate. Sadly the Annual Conference was postponed due to COVID-19 restrictions but we look forward to our Early Learning Leaders Summit in April of 2022.

The team progressed in fitting out the new office at Atherton Rd, Oakleigh. The planned works to hire out the training room were put on hold due to the many lockdowns, but we look forward to welcoming members to the Oakleigh office in coming months.

This financial year we welcomed two new part-time staff members, Lisa Madanis and Julianne Smith. Both Lisa and Julianne have become valued members of the team, responding to queries via our Member Support Desk and providing administrative support. Julianne's primary role is to deliver the Kindergarten Funding Project, providing support and guidance to providers as they apply for and navigate the processes of Kindergarten Funding.

I would like to extend my heartfelt thanks to ACA Vice President Paul Mondo for his ongoing contributions, guidance and support. As Vice President, Paul continues to advocate with our Victorian Government stakeholders, and we also continue to benefit greatly from his ongoing hard work and dedication to our sector in his ongoing national role as ACA President.

I would also like to thank the ACA Victoria Board for their hard work, dedication and support over the last twelve months. Their contributions have helped greatly in guiding the organisation and achieving our strategic objectives.

On behalf of the board I would like to extend a heartfelt thanks to our ACA Victoria team – Philippa (Pip), Jessica, Lisa, Julianne and Celia - for their tremendous work, patience and dedication to both the organisation and our members during another challenging year.

Finally, whilst it hasn't taken place in the 2020-2021 financial year, I know I speak on behalf of everyone – the board, the ACA Victoria team and our members – in thanking our colleague Philippa Valder for her incredible efforts over the past eight years. We wish her all the very best in her new role at the Department of Education & Training and we look forward to hearing her news.

We are satisfied with the financial stability of ACA Victoria, and we are pleased with the strategic approach we have adopted and continue to work towards, as outlined in the report below.

Sarah



Sarah Tullberg
President, ACA Victoria



Our Vision, Mission, Objectives and Values

Vision

Our vision is a future where every child and family has access to high quality, affordable and sustainable early childhood education and care.

Mission

Our mission is to support members in the delivery of high-quality services and advocate for the early childhood education and care community.

Values

- *Leadership*
- *Quality*
- *Integrity*
- *Respect*
- *Collaboration*

2020/2021 Strategic Focus Areas

ACA Victoria has six strategic focus areas:

1. Service delivery
2. Membership satisfaction and growth
3. Advocacy
4. Sector relationships
5. Communications & brand awareness
6. Financial growth

1. Service Delivery

- Much the same as the previous financial year, in 2020-2021 our service delivery was directly impacted by the intermittent COVID-19 lockdowns, with staff working from home for a large part of this period.
- Due to these COVID-19 restrictions, member visits and face-to-face events were simply not possible for most of the financial year, with the exception of December to January and May to June. During these four months our Member Engagement Manager, Jessica Seddon, was not always permitted to enter early learning service premises, but she was able to meet prospective members and existing members offsite in nearby cafes. Outside of this period, Jess engaged with existing and prospective members via telephone and email conversations.
- Our tailored telephone support for members included advice on:
 - COVID-19 – workplace health & safety regulations, emergency funding and associated modifications to the Child Care Subsidy (CCS)
 - Employment law, awards and regulations, via our partnership with ABLA
 - Occupational health and safety
 - National Quality Framework
 - How to engage and resolve issues with government departments
 - Workplace Relations Helpline via the Australian Business Lawyers & Advisers (ABLA).
- We continued to provide members with discounted or preferential access to key sector suppliers via our Supplier Partnerships and Supplier Members.
- Our Supplier Partnerships in this financial year included Guild Insurance, Child Care Super, Australian Business Lawyers & Advisers (ABLA), Bunnings Warehouse, ChildHR, Commonwealth Bank of Australia, Officeworks and Early Childhood Training. We also added Toddle and Child Care Centre Desktop as new Partners.
- Our Supplier Members included Bonkers Beat, Competitive Advantage, CFT International, Childcare by Design, Edu-Fun, Ezidebit, Food Hygiene Australia, Health Spectrum, HESTA, Higgins Coatings, InFocus Food Safety, Kids Edge, KindyNow, Mathiou Services, Mollard Property Group Pty Ltd, New Neighbours, Rogerson Kenny, Sleepsmart, STEP Learning Resources and Wholesome Child.

- We would like to acknowledge and thank all our Supplier Partners and Supplier Members for their support, which allows us to continue to deliver and grow our membership offering.

Kindergarten Program Funding – Consultation Project

- In late 2020, we received funding from the Department of Education and Training to:
 - explore factors that impact on a Long Day Care (LDC) provider’s decision not to offer funded kindergarten programs; and
 - to identify strategies to expand the provision of kindergarten in these settings and to work closely with LDC providers to improve their understanding of kindergarten funding and supports and how these can be used to improve access and quality.
- In June/July the current financial year we undertook research, followed by the development of an extensive report to the Department in December which highlighted a range of barriers for service providers.
- These barriers included:
 - Difficulty attracting and retaining an Early Childhood Teacher.
 - Parental perception that sessional kindergarten in a standalone kinder is “proper kinder”, therefore those parents choosing to enrol their children in kinder in that setting, rendering it impractical to apply for funding.
 - Significant complexities, inconsistencies and lack of support, clarity and guidance in the DET application process itself.
- 2021 has seen the Department attempting to address the recruitment issues, with significant incentives for early childhood teachers and a marketing campaign run largely in relation to the roll out of funded 3 Year Old kindergarten across the State.
- In early 2021, after extensive consultation including with representatives from ACA Victoria, the Department delivered The Kinder Tick initiative – branding to help Victorian families find a funded kindergarten program for their children. The message being delivered is that kinder is a program, not a place. Early learning services across Victoria are now proudly displaying the Kinder Tick signage.

- In March 2021, Julianne Smith joined ACA Victoria in the role of Project Officer, to support and guide services (both members and non-members) to successfully apply for kinder funding and talk them through the requirements and opportunities available thereafter.

To date Julianne has provided individual support to over 50 service providers via one-one phone support. She also developed the content for our suite of guidance documentation designed to minimise the complexities of the whole funding application and implementation process. This work is ongoing, as she continues to provide support to providers and create additional documentation to guide the improvement of access and quality of service provision.

Professional Development & Events

ACA Victoria Early Leaders Summit

- During the first part of this financial year we focused on organising the Annual Conference, which was refreshed in the context of COVID-19 restrictions on public events, to focus solely on **approved providers**.

The event was renamed the **ACA Victoria Early Learning Leaders Summit**, and originally planned to take place over one day on 20 August 2021. However due to further COVID lockdowns the summit has now been moved to 1 April 2022. We look forward to running our first large face-to-face event since August 2019.

Weekend Workshop of Personal Growth with Craig Harper

- We ran a two- day Weekend Workshop of Personal Growth hosted by motivational life coach Craig Harper at Peppers Moonah Links Resort on Saturday 27th and Sunday 28th March. It was an uplifting weekend of reflection, motivation, illumination & networking, and we received positive feedback from our member guests.

ACA Victoria Members Meeting

- We held our first members' meeting for 2021 via Zoom on Wednesday 14 April, featuring guest speaker from the Victorian Department of Education - Daniel Craig, Manager Kindergarten Reform Implementation, Early Childhood Education – who spoke about the progress of Three Year Old Kinder rollout.

“Thank you for a wonderful two days! It has been a thought-provoking, uplifting and amazing weekend away!!”

Online Workshop “Preparing for 3 Year Old Kinder – Factors to consider now”

- We ran an online webinar on Wednesday 28 April featuring Sarah Tullberg and Paul Mondo, providing guidance to service providers about what to consider when thinking about applying for 3 Year Old Kinder funding.

Networking Group Meetings – online via Zoom

- We ran a series of Networking Group Meetings via Zoom, hosted by ACA Victoria Treasurer Sam Rosenberg & Secretary Tonii Tran. The meetings allow members to discuss the current issues of the day, in manageable group sizes of approximately 15 attendees per session. Six meetings have run to date, with more to follow in the new financial year.

Executive Committee Events

ACA Victoria Annual General Meeting (AGM)

- The AGM took place via Zoom on 26 November 2020.

Strategic Planning Day - for 2021 and beyond

- Our Strategic Planning Day was held on Wednesday 3rd February, facilitated by Denys Correll from the Associations Forum Pty Ltd.
- Together the Executive Committee revised ACA Victoria's Mission and Plan and confirmed the main objectives for July 2021 onwards , which are:
 - Providing advocacy and representation
 - Fostering sector partnerships
 - Delivering comprehensive member services
 - Enhancing the profile of our organisation; and
 - Adhering to good governance.
- We look forward to putting these plans into practice and continuing to build on the strengths and achievements of ACA Victoria to date.

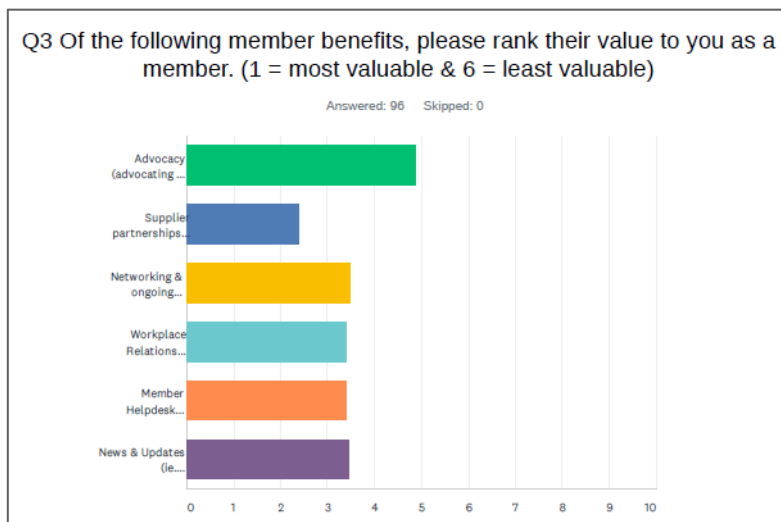


2. Membership Satisfaction & Growth

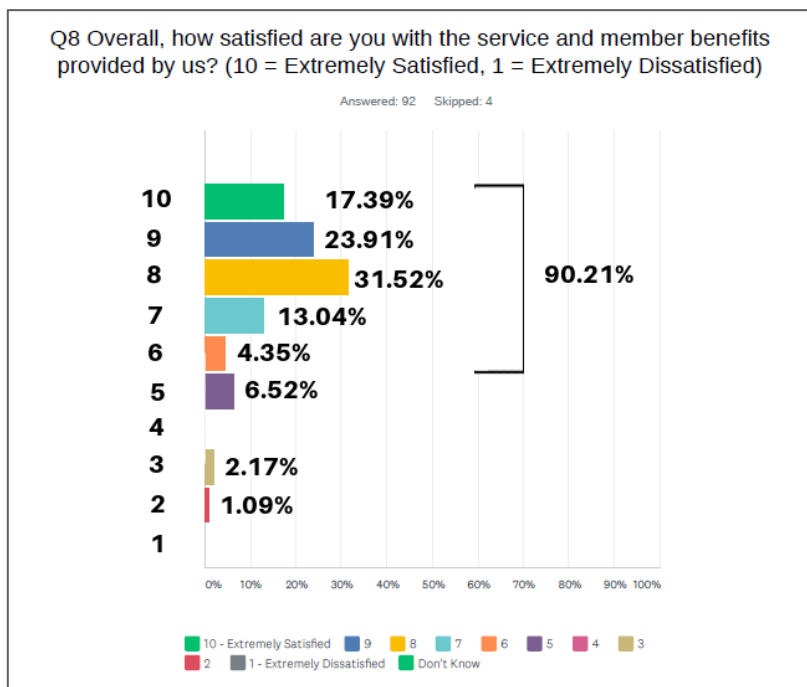
Member Satisfaction

As usual we ran our annual member satisfaction survey in January/February. We asked members to rank the value of their ACA Victoria benefits. Advocacy was the clear winner, with almost all other benefits scoring relatively evenly. The surprising exception was Supplier Partnerships which was ranked last.

“Member satisfaction remained relatively steady with over 90% of those surveyed satisfied or extremely satisfied with the service.”



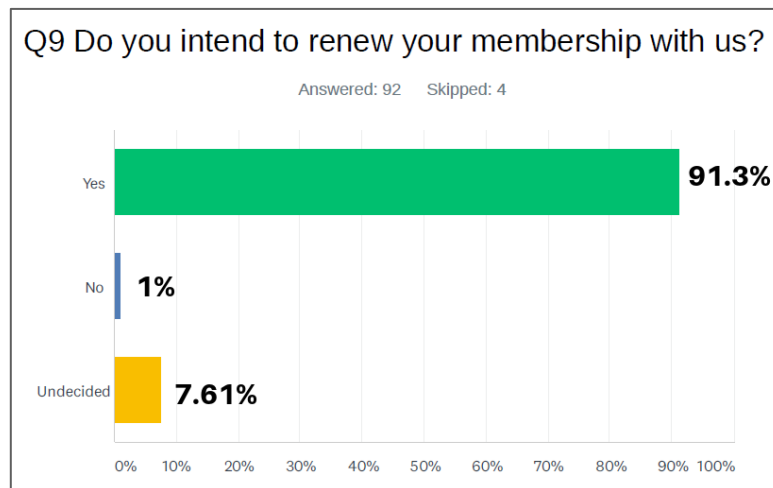
In terms of satisfaction, the table below illustrates that over 90% of members were satisfied, very satisfied or extremely satisfied with the overall service and member benefits provided. This is an increase of 10% on last year’s results.



In terms of resources, the survey indicated that only 51% of members have used the Member Portal, but of those who did, 83% found it useful. Only 46% of those surveyed had used the Facebook Approved Providers Group, but of those who did 76% found it useful.

We will continue encouraging members to use these resources and work towards increasing their engagement with them.

In terms of renewals, over 91% of our members said they intended to renew their membership.



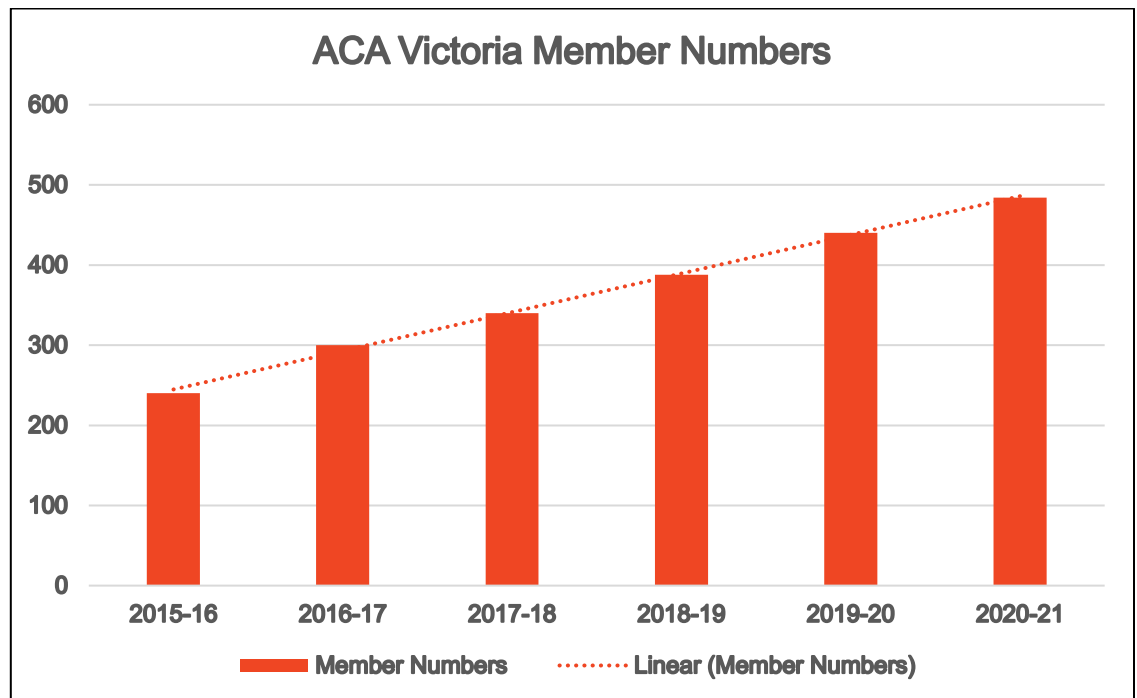
Feedback from our members via the survey included:

- *I feel very secure that I won't miss out on vital information being an independent service.*
- *We are fortunate to have such a dedicate group advocating for us and always keeping us informed with the right information and ongoing updates which have been invaluable during such a crazy time. Thank you all.*
- *It is so reassuring to have ACA to explain day-to-day issues and get informed advice as well as advocacy for the sector.*
- *Thank you for the time, effort and regular up date of information which is relevant and current. Knowing that you were there during covid was an enormous support to our organisation. The conferences are well organised, informative and a wonderful opportunity to network with other organisations and professionals.*
- *Thank you for your ongoing support and advocacy.*
- *Thankyou for everything through a trying year. You are and have always been a great support for our industry. Keep doing all you do. It is truly appreciated.*

Membership Growth

Membership of ACAV has grown from **440** fully paid up members as at 30 June 2020, to **484** fully paid up members as at 30 June 2021 – this is an **increase of 44** members from the previous year, which is a **10% increase**.

This positive outcome illustrates the **enormous success** of our Member Services Coordinator Jessica Seddon in her renewal and member growth campaigns.



3. Advocacy

During this financial year ACA Victoria played a strong role in advocating and providing feedback to the Victorian Government through a range of formal channels.

The impact of the COVID-19 pandemic was yet again the primary focus of our advocacy, with Melbourne in lockdown for a total of 111 days and regional Victoria also affected for shorter periods.

Echoing the last half of the previous financial year, this year our key focus was yet again responding to the immediate impact of these lockdowns along with the protocols in place to contain the spread of the virus.



ACA Victorian Vice President Paul Mondo engaged regularly with the Minister for Early Childhood Education, Ingrid Stitt, about the impact of Victoria's lockdowns on attendance and the financial viability of the early learning sector.

ACA Vice President Paul Mondo attended weekly meetings with Deputy Secretary Kim Little, from the Victorian Department of Education (DET) and other key DET and peak body stakeholders, establishing highly collaborative relationships.

DET were very supportive during the COVID-19 crisis and keen to hear ACA Victoria's regular feedback on attendance levels, impacts on operations and issues arising from the Victorian Government's COVIDSafe framework for ECEC services, including centre tours, parents in rooms and group singing.

Whilst the Child Care Subsidy (CCS) is a Federal Government initiative, the Victorian Government was keen to hear about the sector in order to assist them in the development of COVID assistance and business support.

At the national level, in July 2020 the (then) Education Minister Dan Tehan announced that the Australian all services located in areas subject to Stage 3 COVID-19 restrictions, which included metropolitan Melbourne and Mitchell Shire, had the option to waive parent gap fees if children were not attending child care for COVID-related reasons from Monday 13 July.

This was the first time that the Australian Government had agreed to modify the application of the Child Care Subsidy (CCS) for *one geographic region* as opposed to the whole nation. We saw this is a significant outcome in an unpredictable COVID-19 climate.

Following ACA's political engagement driven by ACA President Paul Mondo at both national and state levels with relevant Ministers and government departments, in September 2020 the Australian Government announced the Recovery Package for the early learning sector, which ran from 28 September 2020 to 31 January 2021 and provided continued support for the sector in Victoria and nationally.

Paul attended regular meetings with the Education Minister's Kindergarten Expansion Consultative Committee to support and provide information around the rollout of the Three-Year-Old Kindergarten program.

ACA Victoria also attended regular Early Childhood Advisory Group (ECDAG) meetings. ECDAG brings together people from all over the early childhood space such as Maternal Health Services, Local Council, Kindergarten representatives and union representatives to provide updates on the range of Early Childhood reforms being implemented.



Other ACA Victoria advocacy efforts included the Free Kinder scheme, the Kinder Tick, the Kindergarten Funding project, the KIMS platform, the Child Information Sharing Scheme and the suite of supports including Innovation Grants to improve the retention of early childhood teachers (ECTs) in the first five years of their careers.

ACA Victoria also advocated about industrial relations (nationally) and contributed to various government reviews including the ACECQA – Workforce strategy.

Industrial Relations

In February ACA Victoria successfully advocated on behalf of our private operator members regarding the Portable Long Service Leave Scheme. As the original application guidelines were unclear, ACA Victoria sought legal advice, which suggested that the scheme did not apply to private operators (as we had been advised was the intent of the scheme).

We accordingly wrote to the Victorian Minister for Economic Development & Minister for Industrial Relations Tim Pallas, to the Registrar of the Portable Long Service Authority and also to the Deputy Premier and Minister for Education James Merlino, to ensure that the regulations reflected the stated intent that the private sector should not be covered by the scheme.

Our assertion was agreed to and ultimately confirmed in the revised regulations.

4. Sector Relationships

ACA Victoria has continued to build on strong relationships with external organisations and government departments that align with our values.

We worked closely with the Department of Education and Training on the Kindergarten Program Funding – Consultation Project, which has been outlined in detail under the Service Delivery section of this report.

This includes maintaining our close working relationships with the Early Learning Association of Australia (ELAA) and the Community Child Care Association (Victorian branch), attending regular meetings to discuss sector issues and the implications of the latest sector updates.

We have provided support to the Murdoch Children’s Research Institute’s Restacking the Odds campaign, by promoting their survey to our members along with additional communications such as articles and reports. We have similarly supported BeYou and the Smith Family’s Let’s Count program.

We also have strong working relationships with media outlets The Sector and Little Rockers Radio.

5. Communication and Brand Awareness

The two primary focuses during this financial year for our communications efforts were the ongoing impacts of the COVID-19 pandemic on our sector, along with the promotion of our Early Learning Leaders Summit, which was originally planned to take place in August 2021. (It has since been moved to April 2022 as outlined under the Services Delivery section.)

We also provided information on COVID-19 updates such as the Recovery Package and the various other changes in this space, industrial relations updates and other relevant news for the sector.

Our regular communications platforms to our members included:

- ACA Victoria website maintenance including Latest News articles, rotating banner updates and event listings.
- Ongoing maintenance of ACA Victoria email database (members, suppliers and partners).
- Circulation of ACA Victoria email newsletter “All Things Big & Small” and sporadic “News Flash” and “Upcoming Events” alerts.
- Ongoing social media activities on Facebook, Twitter and LinkedIn

Australian Childcare Alliance
Victoria

EARLY LEARNING LEADERS SUMMIT

2021

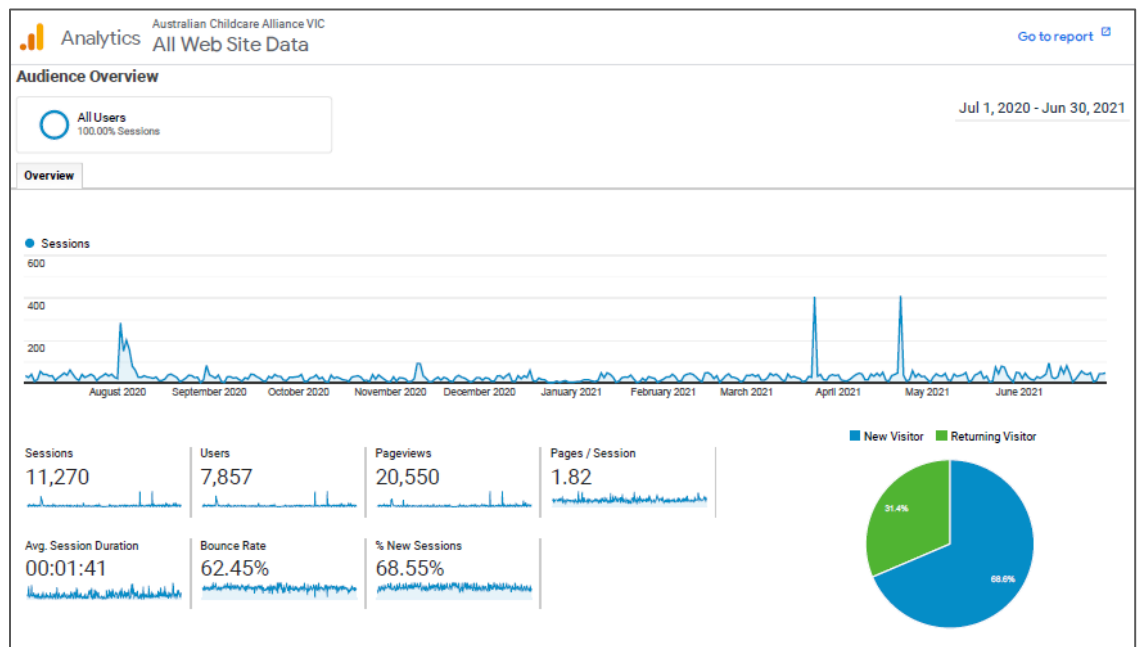
Planning
to thrive

#ACAVsummit

Friday, 20 August 2021 Crown Conference Centre Melbourne

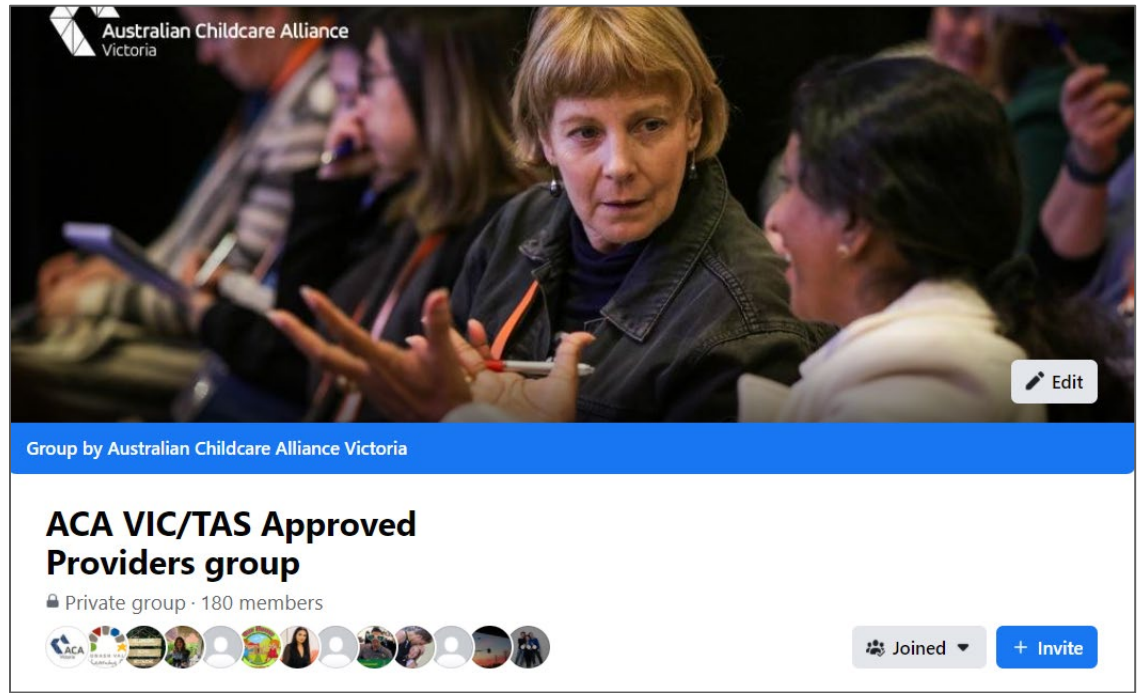
- Articles and advertisements in ACA's Belonging Early Years Journal to promote the Early Learning Leaders Summit.
- Media releases

The ACA Victoria website received substantial traffic with over **11,000 visits** in this financial year period – only 1,000 down from last year, probably as a result of the cancellation of the 2020 Annual Conference.



The **ACA Victoria** Facebook page “likes” increased from 500 last financial year to over 550 “likes”, and over 660 “followers” which is a great outcome.

Our Facebook discussion group for approved providers now has grown from **130** group members last year to 180 members. The group provides our members with a **private, confidential forum** to ask questions and share knowledge with their early learning sector peers. We believe this to be a really valuable member benefit.



Whilst Twitter and LinkedIn continue to be part of the social media mix, they are not as popular as Facebook in terms of engagement with posts.

The following ACA Victoria media release was disseminated at the state level this financial year:

- *May 2020 – ACA Applauds Four Year Extension of Preschool Funding and Further Investment in Early Learning*

6. Financial growth

The ACA Victoria Executive is satisfied with the financial stability of ACA Victoria. We are pleased with the stronger balance sheet position, with total assets up to \$796,851 up from \$521,122 in the previous financial year and liabilities up to \$285,359 from \$187,765 the previous year.

Overall this has resulted in a stronger balance sheet position, increasing our equity to \$535,280 from \$333,387 the previous financial year.

Over the past several years, our financial position has stabilized very satisfactorily and we look forward to being able to move forward with this stronger base and enhance the member offering by provision of tailored professional development, office based support and continuing our vital advocacy role.

Please refer to the Treasurer's Report for detailed financial information.



Looking Ahead

After two successive financial years impacted by the COVID-19, as we start to plan for the next 18 months or so, it's important to be aware of the potential variables still at play.

The Victorian economy has no doubt taken a blow and it's not clear how quickly it may recover and what this will mean for our sector. Additionally we are ever mindful of the risk of future lockdowns.

The ACAV team and Board will need to develop activities in line with the new 2021-2022 strategic plan which are flexible enough to cope with the expected fluctuations.

On the drawing board is a replacement of our Business & Strategy Manager Philippa Valder to further enhance our increased ACAV team and manage the day-to-day operations.

Future activities include the continuation of the DET Kinder Funding Project and a Professional Development plan that fits the needs of the sector and the appetite for investment in personal and staff development.

In terms of professional development events, we look forward to hosting our Early Learning Leaders Summit in April 2022 at the Crown Conference Centre. This will be a vibrant and quality one-day, face-to-face event designed for Approved Providers (owner/operators) and senior managers of early learning services.

We will work with our conference managers to harness the great learnings from our previous annual conferences and look forward to presenting a fresh and fabulous event.

We aim to continue growing our partnerships to benefit both members and to strengthen our financial base.

We will also, on the assumption that the COVID-19 position continues to improve, resume our plans to rent out our Oakleigh office space as a training room and look forward to welcoming members to the space for meetings and events.

We will continue to work with the Victorian Government in the development and implementation of its significant reform and additional programs within the early childhood education spectrum, including the Three-Year-Old Kindergarten funding roll out and the School Readiness Funding roll out.

We will continue to support our members through this implementation by providing practical guidance and feeding their feedback back to the relevant Government Departments.

ACA Victoria is well placed through its involvement on many committees and working groups to ensure that these reforms are delivered to benefit all children in all parts of the sector.

We will recruit a new General Manager to build on the ACA Victoria team & continue driving the organisation towards greater success in supporting our members and offering them valuable benefits.

We look forward to continuing to advocate on behalf of all our members and to provide continuing support through the 2021-22 financial year and beyond.

Treasurer's Report

For Financial Year Ended 30th June 2021

Financial Year External Accounting and Auditing

The accounts for Financial Year 2020-2021 have been signed by SC Accounting and the Auditor (JDFA Accountants) and present a fair report in all material aspects of the financial performance for the year. The report will be further signed off by the Treasurer after presentation at the AGM.

The following comments from the Treasurer are intended to provide commentary and an overview of the accounts and the ongoing outlook for ACA finances.

Outlook on Revenue Streams on 2021

ACA Victoria is hoping that the social distancing restrictions that apply to running face-to-face events will be less severe in the coming financial year, to allow for a greater suite of usual professional development activities such as the Annual Conference, retreat sessions and other events. We will need to adapt our delivery methods where required, so we can provide as many of these elements as possible, thereby ensuring our members continue to be serviced with timely, relevant and comprehensive information which will maintain the integrity of our organization.

Income and Expenditure Report for Financial Year to 30th June 2021

Income for the period was \$651,179 compared to \$894,506 in the previous financial year. This decrease is primarily a result of the postponement of the annual conference due to COVID restrictions, which brought with it a decrease in sponsorships. This event generally brings in a substantial income. Despite the absence of this event, substantial government grants as well as regular partnerships, commission and membership revenue have contributed to income stability.

Total expenditure for the year was fairly stable at \$421,358 compared to \$388,155 in the previous financial year.

The outcome of keeping expenses under control whilst substantially increasing revenue has resulted in a fairly **stable net profit**, with the **total profit at \$201,893** compared to \$226,452 in the previous year. In the context of the absence of the Annual Conference attendees and sponsorship revenues due to COVID restrictions this financial year, we believe this to be a positive outcome.

Major Income Items

The following four major income items accounted for 87% of the revenue in 2019/2020:

• Government grants & subsidies	\$143,358
• Memberships	\$250,894
• Commissions	\$175,078
• Sponsorships	\$41,735
• TOTAL	\$611,085

Major Expenditure Items

The following seven major expenditure items accounted for the majority of the expenditure in 2020/2021:

Balance Sheet as at 30th June 2021

The total assets as at 30 June 2021 are \$820,639 up from \$521,122 in the previous financial year.

ACA Victoria liabilities at 30 June 2021 are \$285,359, up from \$187,735 the previous year.

On balance, this has resulted in a stronger balance sheet position, increasing our equity to **\$535,280** from \$333,387 in the previous financial year.

Report from Sam Rosenberg, ACA Victoria Treasurer, 8th November 2021

Financial Statements

Statutory Balance Sheet

Australian Childcare Alliance Victoria Inc

As at 30 June 2021

ASSETS	30 June 2021	30 June 2020
CURRENT ASSETS		
Cash and cash equivalents	623,521	458,033
Trade and other receivables	87,375	10,329
Other current assets	85,955	41,050
TOTAL CURRENT ASSETS	796,851	509,412
NON-CURRENT ASSETS		
Property, plant and equipment	18,986	6,960
Other non-current assets	4,893	4,750
TOTAL NON-CURRENT ASSETS	23,789	4,750
TOTAL ASSETS	820,639	521,122

LIABILITIES		
CURRENT LIABILITIES		
Revenue in advance	209,791	94,377
Trade and other payables	27,976	54,275
Tax liabilities	22,310	19,033
Provisions	25,281	20,050
TOTAL CURRENT LIABILITIES	285,359	187,735
TOTAL LIABILITIES	285,359	187,735
NET ASSETS	535,280	333,387

MEMBER'S FUNDS		
Capital Reserve	535,280	333,387
TOTAL MEMBER'S FUNDS	535,280	333,387

Statutory Profit and Loss Statement

Australian Childcare Alliance Victoria Inc

For the year ended 30 June 2021

ASSETS	June 2021	June 2020
Total income	651,179	609,402
Other income	2,641	2,385
Total Expenditure	421,358	388,155
Current Year Surplus Before Income Tax	201,893	226,452
Net Current Year Surplus After Income Tax	201,893	226,452

Statutory of Changes in Equity

Australian Childcare Alliance Victoria Inc

For the year ended 30 June 2021

	June 2021	June 2020
Equity		
Opening Balance	333,387	106,935
Increases		
Profit for the period	201,893	226,452
Total increases	201,893	226,452
TOTAL EQUITY	535,280	333,387

Statement of Cash Flows

Australian Childcare Alliance Victoria Inc

For the year ended 30 June 2021

CASH FLOWS FROM OPERATING ACTIVITIES	2021	2020
Operating activities		
Receipts from customers	695,036	651,539
Payments to suppliers and employees	(502,544)	(500,495)
Interest received	-	2,068
Net cash provided by (used in) operating activities	192,491	153,112
Investing activities		
Purchases of property, Plant & equipment	(27,003)	(1,658)
Net cash flows from Investing Activities	(27,003)	(1,658)
Net cash flows	165,488	151,454
Cash & Cash Equivalents		
Cash & cash equivalents at beginning of period	458,033	306,578
Cash & cash equivalents at end of period	623,521	458,033
Net change in cash for period	165,488	151,454

Note to the Financial Statements

Australian Childcare Alliance Victoria Inc

For the year ended 30 June 2021

Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act Victoria. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income).

The Entity does not apply deferred tax.

Current income tax expense charged to profit or loss is the tax payable on taxable income.

Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Except for business combinations, no deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognized when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalized by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.



True and Fair Position

Australian Childcare Alliance Victoria Inc For the year ended 30 June 2021

Annual Statements Give True and Fair View of Financial Position and Performance of the Association

We, Sarah Tullberg - President, and Sam Rosenberg - Treasurer, being members of the committee of Australian Childcare Alliance Victoria Inc, certify that :

The statements attached to this certificate give a true and fair view of the financial position and performance of Australian Childcare Alliance Victoria Inc. during and at the end of the financial year of the association ending on 30 June 2021.

Signed: 

Dated: 26/10 /2021

Signed:

Dated: 26/10 /2021 

Independent Auditor's Report



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AUSTRALIAN CHILDCARE ALLIANCE VICTORIA INC.

We have reviewed the accompanying financial report, being a special purpose financial report, of Australian Childcare Alliance Victoria Inc. (the association), which comprises the assets and liabilities statement as at 30 June 2021, the income and expenditure statement, movements in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the true and fair position statement.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control that the committee determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report: Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report does not satisfy the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* including: giving a true and fair view of the association's financial position as at 30 June 2021 and its performance for the year ended on that date; and complying with the Australian Accounting Standards to the extent described in Note 1. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Australian Childcare Alliance Victoria Inc. does not satisfy the requirements of the *Associations Incorporation Reform Act 2012 (Vic)* including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2021 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with the accounting policies described in Note 1.

Basis of Accounting

Without modifying our conclusion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's financial reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)*. As a result, the financial report may not be suitable for another purpose.


DFK BKM Audit Services



Director: Kevin P. Adams

26 October 2021



Compilation Report

Australian Childcare Alliance Victoria Inc For the year ended 30 June 2021

Compilation report to Australian Childcare Alliance Victoria Inc.

We have compiled the accompanying special purpose financial statements of Australian Childcare Alliance Victoria Inc, which comprise the asset and liabilities statement as at 30 June 2021, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee Member's

The committee of Australian Childcare Alliance Victoria Inc are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the committee who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

SC Accounting
Steven Creelman
S1 L4, 695 Burke Road
Camberwell VIC 3124

Dated: / /

Contact Information

ACA Victoria is governed by an elected Executive Committee (Board).

Sarah Tullberg
President
Tel: 0400 266 605

Paul Mondo
Vice President
Tel: 0411 587 170

Nick Moutzouris
Vice President
Tel: 0412 826 086

Company Information

Australian Childcare Alliance Victoria

Suites 1&2, 10A Atherton Rd
Oakleigh, VIC, 3166

Tel 03 9532 2017

www.vic.childcarealliance.org.au

