

# ANNUAL REPORT

## 2014



### ECKA 2014 Annual Report

2013 AGM Minutes	Page 2
Chairpersons Report	Page 3
CEO Report	Page 4
Treasurer's Report	Page 5
Financial Statements	Pages 6-20
Board of Management	Page 21
ECKA Managed Services	Page 21





# 2013 Annual General Meeting Minutes

## Eureka Community Kindergarten Association 10<sup>th</sup> ANNUAL GENERAL MEETING 2013

Tuesday 19<sup>th</sup> November 7.30pm

### Minutes

**Meeting Opened:** 7.35pm

**Present:** Pauline Wallace, Brett McKinnis, Chris Mulheron, Marita Toohey (DEECD), Derek Wolstenholme, Jo Geurts, Michelle Pryor, Stephen Casey, Janine Tardrew, Heather Boyd, Paul Ballinger, Sandy Facey (PINARC), Gail Petrie, Chris Jones, Julie Duggan, Belinda Dobbin, Jennie Cohalan, Leonie Weston, Christine Sullivan, Alyson McPhan, Michelle Cahill, Paul Ryan, Anthea Callinan, Neisha Watt, Gabby Smoleneers, Rosemarie Calvert (City of Ballarat), Louise Wright.

**Apologies:** Christina Hosemans, David Ronaldson, Kathleen Brannigan, Kylea Hughes, Fiona Lee, Lesley Vanderpol, Chris Coon, Liz Bandy

Moved: Paul Ballinger

Seconded: Gail Petrie

Carried.

### Minutes of Previous Meeting:

These were distributed in the Annual Report.

Moved: Chris Jones

Seconded: Sandy Facey

Carried.

### Presentation of Reports

- Chairman – read as presented in the report
- ECKA Manager – read as presented in the report
- Treasurer – read as presented in the report.

Moved: Paul Ballinger

Seconded: Jennie Cohalan

Carried

### Confirmation of Board Members

Brett McKinnis, Derek Wolstenholme, Gail Petrie, Christina Hosemans, Sandy Facey, Jennie Cohalan, Paul Ballinger, and Chris Jones maintain positions on the Board.

Stephen Casey resigned from the Board and was thanked by Brett for his input to ECKA over the last 2 years.

Paul Ryan was welcomed to fill that vacancy. Executive positions to be determined at next board meeting.

### Appointment of Auditor

Paul Ballinger moved that Prowse Perrin and Twomey be appointed as auditors for 2013.

Seconded: Gail Petrie

Carried

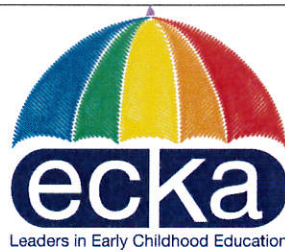
### Presentation of Life Membership

Brett McKinnis presented Chris Mulheron and Michelle Pryor with Life Membership of ECKA and thanked them for their years of work on the Board.

Marita Toohey (DEECD) congratulated ECKA on the outstanding work they do as a Cluster Manager and acknowledged that ECKA is seen as a leader in the area of Cluster Management.

**Meeting Closed:** 8.15pm

Pauline Wallace (Life Member) was invited to cut the 10<sup>th</sup> AGM cake.



## Chairman Report

I am pleased to present the Chairman report for my sixth, and last year as Chair of ECKA.

It has again been a busy year with many challenges for our sector. With uncertainty as to whether the Commonwealth Government will continue to provide funding support for 15 hour of kindergarten into the future, and the Productivity Commission inquiry into Childcare and Early Learning, we have continued to provide a voice at both a state and national level to advocate for the important services that ECKA provides to children and families in Regional and Rural Victoria.

ECKA is committed to providing the best quality services possible, and our first priority is to high quality early learning. This priority has seen us put more resources into supporting services through the assessment and rating process, with ongoing support to maintain standards achieved through this process.

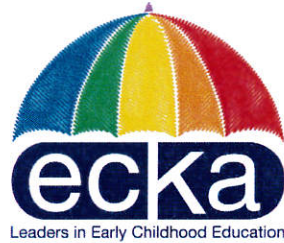
All of our services have now been assessed and I am pleased that our ratings exceed the national averages, with approximately 85% of our services either meeting or exceeding the National Quality Standards (NQS) compared to a National average of 64%. The ECKA Board commends the Educators working in all of our services, as well as the management and administration staff for their ongoing commitment and success in providing high quality early learning services.

The Board completed a new strategic action plan for the 2014 to 2016 period. The plan has been developed with the assistance of ECKA staff and Red Strategic Communications. The Plan is based on four priority areas of; Quality of Education, Sustainability, Community Engagement, and Service Management. Objectives and goals have been put in place to ensure that we achieve ECKA's vision that, "every child has the opportunity to explore and realise their potential through access and engagement in quality early education". The Board, together with the Management and Administration Staff, oversee and monitor operations of ECKA, to achieve our goals while addressing the challenges and responding to the changing environment in delivering quality early education and care services.

The review of Kindergarten Cluster Management (KCM) has resulted in a welcome, yet small, increase in the KCM grant. The ECKA Board has worked hard over the last twelve months in ensuring that our revenue is sufficient to carry out all of the work required under the specifications for KCM, and this additional funding will support us to provide a higher level of professional support and professional development for all ECKA staff.

I would like to thank all of the ECKA Board members, and acknowledge Paul Ballinger who vacated his position on the Board during the year, for their commitment and support to ensuring ECKA remains a strong and expert leader in the Early Education and Care sector.





## CEO Report

I am pleased to present the 11<sup>th</sup> Annual Report to ECKA staff and members.

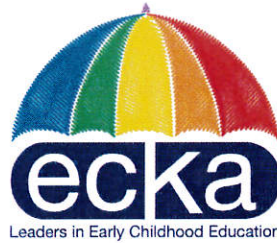
It has been a year of successes and challenges and I would like to start by acknowledging and thanking the dedicated, hardworking ECKA staff, including Management, Administration, Finance and Educators, who as a whole, put in an amazing effort to make a significant difference to the lives of children and families attending our services. I also acknowledge the relief and emergency staff who make themselves available to keep all of our services operating, at times when we are often desperate. It is a difficult area to manage, and I commend Janine for undertaking this job, for without these staff many of our services would have to close.

I would once again like to thank all staff who have demonstrated their commitment to the inclusion of vulnerable and disadvantaged children into their programs, as we continue to partner with Ballarat Child and Family Services (CAFS) and the Department of Education and Early Childhood Development (DEECD) in the delivery of the Access to Early Learning program. The Outcomes for these children are dramatically improved by inclusion in this program, and it is wonderful to see the changes in their development throughout the two years of kindergarten.

ECKA has continued to partner with DEECD and City of Ballarat in the funding and building of new infrastructure to meet the growing population and demand for Early Education and Care. Additional rooms at Mt Clear, Brown Hill, Delacombe, Linda Brown and Sebastopol South kindergartens have been completed and planning and construction is underway for a new kindergarten on the Midlands reserve, to replace the ageing Midlands kindergarten, as well as a new two room kindergarten at the Phoenix P-12 College, which will see the relocation of the Sebastopol Kindergarten to a new state of the art facility. Minor capital upgrades have also been funded for Mt Pleasant, Iris Ramsay and Fidelity Kindergartens. I thank City of Ballarat Officers and Leadership staff of the Phoenix College for their hard work and persistence in working with us to secure funding for all of these projects.

I would like to also acknowledge the other local government areas of Pyrenees, Hepburn and Mooroolbool, where I have also been working closely to develop Municipal Early Years plans. This is a very important part of planning for local communities and it is a pleasure to be a part of developing high quality plans that will deliver a range of important services to families in the early years.

Finally I would like to extend my sincere thanks to the members of the ECKA Board for their leadership and expertise in developing and monitoring the strategic plan for ECKA, and their commitment to sustainable high quality services. I also wish to thank the volunteer parent groups and committee members whose contribution and support is greatly appreciated.



## **ECKA 2014 Treasurer's Report**

The ECKA group had no new kinders during the 2014 financial year however an additional two of our kindergartens/pre schools/early education and care service (to be referred to as "ECKA Service") became unincorporated meaning that ECKA is now responsible for all their transactions. As at the end of June we now have ten unincorporated kinders.

This year the Administration arm of ECKA has made a surplus of \$44,262. This figure is reconciled on page 11 of the accounts along with the surplus made by our unincorporated ECKA Services of \$76,105 and a transfer to a new Sustainability Reserve of \$34,856 (refer below). We continue to maintain separate reports for every ECKA Service we administer to enable us to identify their individual funds held by ECKA. Although this requires diligent work by our accounts department it is of considerable benefit to oversee the running of our ECKA Services and enables us to monitor the viability of each ECKA Service location.

At the end of June we held \$497,237 (refer to the Balance Sheet Current Liabilities) on behalf of the incorporated ECKA Services and \$1,007,334 (refer page 8) on behalf of the unincorporated ECKA Services. The funds held for the unincorporated ECKA Services include all monies previously held by the ECKA Services and any surplus/deficit from the ECKA accounts.

The Board made two significant decisions during the year keeping in mind the ongoing sustainability of both ECKA Administration and the ECKA Services. The first was to increase the annual charge to the ECKA Services which will enable ECKA to maintain and increase the support we offer to all ECKA Services. The second was to create a Sustainability Reserve from unused leave provisions - this reserve is to be used only when an ECKA Service has incurred financial difficulties after exhausting all other avenues of acquiring funds. Financial support from these funds would only be offered at the recommendation of the Board.

I would like to thank Jo and all the ECKA Administration staff for their continued work enabling us to provide quality services including streamlined financial management which would highlight any problems on a timely basis. The system we have put in place enables each ECKA Service to be monitored on a monthly basis and therefore also assists with planning for the future of ECKA and all its ECKA Services.

I take this opportunity to wish the incoming board well for the year ahead.

Christina Hosemans  
Treasurer

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2014**

Profit & Loss Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to and forming part of the Accounts

Committee's Declaration

Independent Auditor's Report to the Members



Eureka Community Kindergarten Ass. Inc

P.O.Box 2126  
Bakery Hill, 3354

**Profit & Loss [With Last Year]**

July 2013 through June 2014

	Note	This Year	Last Year
<b>Income</b>			
Other Income			
DEECD Funding		\$3,637,145.53	\$2,755,622.18
DEECD Funding PYA		(\$41,295.19)	(\$84,580.67)
DEECD Funding Child Care Prog		\$10,212.50	\$10,072.50
DEECD Funding Early Start 3YO		\$39,926.08	\$36,500.00
DEECD Funding New Kinders		-	\$1,209.00
DEECD Funding Fees Subsidy		\$302,429.50	\$448,356.50
DEECD Teachers Supplement		\$167,745.20	\$136,054.00
DEECD Small Rural Grant		-	\$7,500.00
DEECD Funding Other		\$39,727.27	\$2,677.20
Govt Incentive Payment PD		-	\$10,500.00
DEEWR Sustainability Grant		\$30,637.50	\$30,217.50
Attendance Fees		\$1,049,333.01	\$1,006,024.78
Bank Interest		\$87,790.34	\$94,861.24
CCB Fees		\$103,965.09	\$126,332.31
Donations		\$1,913.88	\$606.88
Fundraising		\$84,314.47	\$57,772.10
Grant - Kinder Garden		\$44,020.00	-
Grants Other		\$3,838.00	\$7,500.00
PD Warrawong Grant		\$2,000.00	-
PD Workshops		\$7,563.70	-
Refund A.T.O.		-	\$239.00
Refunds - Miscellaneous		-	\$534.10
Unused Take On Leave		\$51,603.44	-
Reimbursements from Kinders		-	\$6,159.90
Reimbursement from Parents		\$314.35	-
Reimbursement for Expenses		\$2,373.75	\$12,227.33
Reimbursement DEECD Funding		-	\$24,008.00
Reimbursement of Wages		\$3,939.50	-
Reimbursement Staff Training		\$300.00	\$101.75
Reimbursement Parental Leave		\$3,732.60	\$40,116.36
Service Charges - Kinders		\$125,560.00	\$61,160.00
Service Charges - External		\$74,375.24	\$113,601.55
SRA Administration Funds		\$12,249.53	\$9,775.00
SRA Kinder Funding		\$59,090.92	\$16,862.89
SRA Support Funding		\$115,233.29	\$89,323.95
WorkSafe Reimbursement		\$128.19	\$361.38
University Student Allowance		\$13,048.98	\$7,450.50
Sundry Income		\$70.00	\$650.00
<b>Total Income</b>		<b>\$6,033,286.67</b>	<b>\$5,029,797.23</b>



Eureka Community Kindergarten Ass. Inc

P.O.Box 2126  
Bakery Hill, 3354

**Profit & Loss [With Last Year]**

July 2013 through June 2014

	Note	This Year	Last Year
<b>Expenses</b>			
Accounting		\$260.00	-
Advertising		\$2,089.31	\$4,040.84
Audit Fees		\$5,290.00	\$5,270.00
Bank Fees		\$645.75	\$328.57
Bank Fees Merchant Card		\$6,509.98	\$6,868.34
Capital Works Expenses		\$82,413.91	\$140,749.53
Cleaning expenses		\$42,456.80	\$39,130.60
Computer Maintenance Agreement		-	\$495.44
Computer Software		\$415.43	\$99.90
Consumables		\$110,355.48	\$106,522.82
Depreciation - Office Equip		\$3,911.35	\$3,358.54
Depreciation - Buildings		\$10,187.95	\$6,935.88
Depreciation - Fixture/Fitting		\$2,042.71	-
Donations/Gifts		\$1,121.01	\$542.22
Equipment Purchases (minor)		\$130,311.91	\$96,122.27
Equipment Purchases (major)		\$113,390.85	\$27,167.41
Equipment Repairs/Maintenance		\$8,757.35	\$6,555.52
Excursions/entertainment		\$65,126.72	\$56,588.56
Fundraising Expenses		\$61,295.89	\$39,768.34
Incidentals/Petty Cash		\$10,764.84	\$5,047.19
Grant Other Expenditure		-	\$908.53
Insurance		\$10,149.97	\$10,358.94
Internet		\$290.94	\$654.48
Licence & Incorp Fees		\$8,008.00	\$13,458.00
Maintenance Property		\$110,198.56	\$82,773.17
Management Fees		\$125,560.00	\$65,490.16
Marketing		\$2,819.73	\$2,575.12
Meeting Expenses		\$1,928.73	\$1,967.19
Moving Premises		\$1,000.00	-
PD Workshop Expenses		\$1,871.25	-
Photocopier Plan & Expenses		\$49,348.09	\$15,080.31
Police Checks		\$1,754.35	\$3,243.95
Postage		\$5,925.04	\$4,660.83
Printing & Stationery		\$20,604.42	\$36,839.23
Rent Premises		\$10,851.54	\$5,387.61
Rubbish Removal & Shredding		\$1,216.75	\$2,480.46
Security		\$3,095.09	-
Service Charges - ECKA		-	\$30,480.00
SRA Admin Expenses		-	\$3,047.08
<b>Sub total</b>		<b>\$1,011,969.70</b>	<b>\$824,997.03</b>

Eureka Community Kindergarten Ass. Inc

P.O.Box 2126  
Bakery Hill, 3354

**Profit & Loss [With Last Year]**

July 2013 through June 2014

	Note	This Year	Last Year
SRA Kinder Expenses		\$4,766.42	\$2,805.42
SRA Support Funding Distrib.		\$149,716.64	\$43,202.11
Staff Amenities		\$382.12	\$263.79
Staff - Salaries and Wages		\$3,860,017.19	\$3,363,880.66
Staff - Superannuation		\$329,436.06	\$276,865.53
Staff - Workcover		\$49,361.78	\$47,177.25
Staff - Leave Provisions		\$116,473.33	\$200,670.44
Staff - Medical Expenses		\$209.24	\$1,104.50
Staff Training - Admin		\$4,022.09	\$1,472.00
Staff Training - Kinder Staff		\$41,313.50	\$37,807.32
Subscriptions		\$14,142.85	\$14,712.82
Telephone - Mobile		\$1,951.23	\$1,687.64
Telephone - Kinder Mobile		\$4,808.74	\$3,424.14
Telephone - Landline		\$23,211.13	\$20,498.93
Telephone - SMS Program		\$579.00	\$579.00
Travel & Accommodation		\$875.68	\$586.68
Uni Student Allowance Payment		\$13,048.98	\$7,450.50
Gas		\$16,408.54	\$16,088.65
Electricity		\$38,106.90	\$34,151.46
Rates - Council		\$6,239.85	\$373.06
Rates - Water		\$21,484.65	\$18,254.54
Website Expenses		-	\$400.00
<b>Total Expenses</b>		<b>\$5,708,525.62</b>	<b>\$4,918,453.47</b>
<b>Other Income</b>			
Festivals to be Funded		-	\$1,000.00
Sustainability - Unused Leave		\$34,856.18	-
Transfer from Provisions		\$21,837.51	\$36,652.44
Transfer to Ecka for Op Costs		-	\$21,139.13
ATO Tax Refund		\$1,694.00	\$580.65
<b>Total Other Income</b>		<b>\$58,387.69</b>	<b>\$59,372.22</b>



Eureka Community Kindergarten Ass. Inc

P.O.Box 2126  
Bakery Hill, 3354

**Profit & Loss [With Last Year]**

July 2013 through June 2014

	Note	This Year	Last Year
<b>Other Expenses</b>			
Distribution from ECKA		-	\$5,000.00
Distribute Kinder Fundraising		\$1,432.50	\$5,799.90
Festivals to be Funded		-	\$556.79
Trust Fund Fee Support		-	\$520.00
Trust Account Annual Movement		\$116.49	\$952.38
Transfer to/from Undistributed Year End Funds		\$184,649.05	\$65,826.82
Transfer Balance Operating Costs		-	\$9,139.13
ATO Tax Adjustment		-	\$834.99
Transfer To Provisions		\$41,727.27	\$9,500.00
<b>Total Other Expenses</b>		<b>\$227,925.31</b>	<b>\$98,130.01</b>
<b>Net Profit / (Loss)</b>	<b>2</b>	<b>\$155,223.43</b>	<b>\$72,585.97</b>

**Eureka Community Kindergarten Ass. Inc**

*P.O.Box 2126  
Bakery Hill, 3354*

**Balance Sheet [Last Year Analysis]**

June 2014

	<b>This Year</b>	<b>Last Year</b>
<b>Assets</b>		
Current Assets		
Cash On Hand		
V.T.M.B. Cheque Account (S41)	\$588,248.37	\$302,403.48
V.T.M.B. Kinder Sub Accounts	\$6,457.45	\$1.68
V.T.M.B. Petty Cash Acc. (S44)	\$50.43	\$50.39
V.T.M.B. Prov. (S46)	\$618,678.56	\$702,827.77
V.T.M.B. Flexi Term Dep (I43)	\$498,049.19	\$478,362.72
V.T.M.B. Trust Fund (S43)	\$12,092.62	\$10,626.88
Commonwealth Bank Combiz	\$14,389.55	\$16,661.59
ANZ Term Deposit	\$269,094.31	\$258,831.96
Bendigo Bank Term Dep	\$273,347.71	\$262,647.07
CBA Term Deposit No 1	\$178,148.78	\$171,401.92
CBA Term Deposit No 2	\$369,802.38	\$355,097.07
National Bank Term Deposit	\$271,403.13	\$262,017.76
Petty Cash	\$32.20	\$32.20
Petty Cash Till Float	\$150.00	\$0.00
Accounts Receivable	\$2,256.29	\$7,840.23
Other Debtor Overpaid Wages	\$0.00	\$1,110.14
Other Debtors	\$44,020.00	\$500.00
Kinder Unfunded Staff Prov.	\$0.00	\$4,814.59
<b>Total Current Assets</b>	<b>\$3,146,220.97</b>	<b>\$2,835,227.45</b>
<b>Other Assets</b>		
V.T.C.U. Membership	\$10.00	\$10.00
<b>Total Other Assets</b>	<b>\$10.00</b>	<b>\$10.00</b>
<b>Fixed Assets</b>		
Office Equipment at cost	\$22,676.66	\$23,550.57
Office Equip Accum Dep	-\$6,373.94	-\$12,069.62
Fixtures & Fittings at cost	\$16,735.30	\$0.00
Fixtures & Fittings Accum Dep	-\$2,042.71	\$0.00
Land & Building at cost	\$997,733.75	\$809,695.28
Building Accum Dep	-\$34,006.09	-\$23,818.14
Property Purchase	\$0.00	\$17,802.25
<b>Total Fixed Assets</b>	<b>\$994,722.97</b>	<b>\$815,160.34</b>
<b>Total Assets</b>	<b>\$4,140,953.94</b>	<b>\$3,650,397.79</b>



Eureka Community Kindergarten Ass. Inc

P.O.Box 2126

Bakery Hill, 3354

**Balance Sheet [Last Year Analysis]**

June 2014

	<b>This Year</b>	<b>Last Year</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$41,586.67	\$21,871.57
Income in Advance	\$14,470.46	\$17,224.28
Deposits Received in Advance	\$0.00	\$220.00
Other Creditors	\$45.53	\$1,117.00
GST Liabilities		
GST Collected	\$111,595.60	\$110,949.14
GST Paid	-\$23,754.97	-\$21,743.33
PAYG, Super & Wages Payable	\$83,360.02	\$75,660.56
Undistributed Year End Funds	\$497,237.37	\$440,941.08
Trust Fund Account	\$12,092.62	\$11,976.13
<b>Total Current Liabilities</b>	<b>\$736,633.30</b>	<b>\$658,216.43</b>
<b>Provisions</b>		
Provision L.S.L. (Current)	\$339,507.27	\$290,212.63
Provision Holidays (Current)	\$137,456.50	\$131,087.54
Provision Loading (Current)	\$13,105.45	\$11,856.60
Provision Sick Leave (Current)	\$543,618.55	\$481,219.05
Provision LSL (Unpaid Leave)	\$8,911.55	\$15,836.04
Provision Sick L (Unpaid Leave)	\$6,065.69	\$44,474.03
Provision LSL Hepburn Shire	\$639.22	\$639.22
Provision LSL (Previous)	\$41,184.68	\$53,731.53
Provision Sick Leave (previous)	\$139,584.79	\$194,698.96
Provision for Parental Leave	\$6,000.00	\$6,000.00
Provision Resource Library	\$0.00	\$215.16
Provision Staff Welfare	\$602.89	\$602.89
Provision for O.H. & S	\$0.00	\$2,576.64
Provision for Prof Dev	\$0.00	\$3,837.07
Provision Service Improvement	\$2,676.95	\$0.00
<b>Total Provisions</b>	<b>\$1,239,353.54</b>	<b>\$1,236,987.36</b>
<b>Total Liabilities</b>	<b>\$1,975,986.84</b>	<b>\$1,895,203.79</b>
<b>Net Assets</b>	<b>\$2,164,967.10</b>	<b>\$1,755,194.00</b>

**Eureka Community Kindergarten Ass. Inc**

*P.O.Box 2126*

*Bakery Hill, 3354*

**Balance Sheet [Last Year Analysis]**

**June 2014**

	<b>This Year</b>	<b>Last Year</b>
<b>Equity</b>		
<b>Owner's Equity</b>		
Kinder Capital Contributions	\$11,500.00	\$11,500.00
Property Aquisition 2010	\$809,000.00	\$809,000.00
Retained Earnings	\$123,357.88	\$161,733.03
Current Year Earnings	\$155,223.43	\$72,585.97
<b>Total Owner's Equity</b>	<b><u>\$1,099,081.31</u></b>	<b><u>\$1,054,819.00</u></b>
<b>Reserves</b>		
Reserve Sustainability	\$58,551.79	\$0.00
Reserve Unincorporated Kinders	\$1,007,334.00	\$700,375.00
<b>Total Reserves</b>	<b><u>\$1,065,885.79</u></b>	<b><u>\$700,375.00</u></b>
<b>Total Equity</b>	<b><u>\$2,164,967.10</u></b>	<b><u>\$1,755,194.00</u></b>



**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2014**

	Retained Earnings	Kinder Capital Cont.	Overpaid Funding/ Sustain. Reserve	Unincorp. Kinders Reserve	Total
	\$	\$	\$	\$	\$
<b>Balance at 30 June 2012</b>	966,350	11,500	60,287	544,837	1,582,474
Surplus from Operations	16,682	-	-	55,904	72,586
New Capital Received	-	-	-	60,200	60,200
Transfer from Incorporated to Unincorporated	-	-	-	39,434	39,434
Transfer to/(from) Reserves	60,287	-	(60,287)	-	-
<b>Balance at 30 June 2013</b>	<u>1,043,319</u>	<u>11,500</u>	<u>-</u>	<u>700,375</u>	<u>1,755,194</u>
Surplus from Operations	44,262	-	34,856	76,105	155,223
New Capital Received	-	-	-	102,501	102,501
Transfer from Incorporated to Unincorporated	-	-	-	128,353	128,353
Transfer from Unused Leave	-	-	23,696	-	23,696
<b>Balance at 30 June 2014</b>	<u>1,087,581</u>	<u>11,500</u>	<u>58,552</u>	<u>1,007,334</u>	<u>2,164,967</u>

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 \$ Inflows (Outflows)	2013 \$ Inflows (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Government & Community		6,177,580	4,966,927
Payments to Suppliers & Employees		(5,889,912)	(4,763,409)
Interest Received		<u>87,791</u>	<u>94,861</u>
	3(b)	<u>375,459</u>	<u>298,379</u>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
Purchase of Fixed Assets		(198,977)	(19,218)
Deposits from Unincorporated Kinders		102,501	99,633
New Kinder Capital Contributions		<u>-</u>	<u>500</u>
		<u>(96,476)</u>	<u>80,915</u>
<b>Net Increase in Cash Held</b>		278,983	379,294
<b>Cash at Beginning of Year</b>		<u>2,820,962</u>	<u>2,441,668</u>
<b>CASH AT END OF YEAR</b>	3(a)	<u><u>3,099,945</u></u>	<u><u>2,820,962</u></u>

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**NOTE 1 – Statement of Accounting Policies**

**(a) Basis of Accounting**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The Committee has determined that the association is a non-reporting entity.

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

The following significant accounting policies, which are consistent with the previous year unless otherwise stated, have been adopted in the preparation of this financial report

**(a) Property, Plant and Equipment**

Items of Plant & Equipment are included at cost. All assets are depreciated on a prime cost basis at the following rates:

Plant & Equipment	5% - 25%
Buildings	2.5%

**(b) Income Tax**

The Association is exempt from Income Tax pursuant to the Income Tax Assessment Act 1997 as amended.

**(c) Employee Entitlements**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

The Association's employees are entitled to take 13 weeks Long Service Leave after 10 years of continuous service.

Provision for Sick Leave and Long Service Leave is still recorded for previous employees who are still employed in the sector in Victoria. Such provision is held until the previous employee leaves the sectors to a period greater than three months.

Staff are entitled to leave loading at the rate of 17.5% in relation to their annual leave.

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

	2014 \$	2013 \$
<b>NOTE 2 – Profit</b>		
Profit attributable to ECKA Administration	44,262	16,682
Profit attributable to Unincorporated Kindergartens	76,105	55,904
Profit attributable to Sustainability unused leave	<u>34,856</u>	<u>-</u>
	<u>155,223</u>	<u>72,586</u>

**NOTE 3 – Cash Flow Information**

(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows -		
Cash at bank and on hand	<u>3,099,945</u>	<u>2,820,962</u>
(b) Reconciliation of operating surplus to net cash flows from operations as follows -		
Operating surplus for year	155,223	72,586
Adjustment for non-cash items -		
(Increase) Decrease in Debtors	(32,011)	(1,306)
Depreciation	16,142	10,294
Loss on Sale of Fixed Assets	3,273	-
Increase/(Decrease) in Creditors	24,758	29,627
Increase/(Decrease) in Income in Advance	205,708	(23,399)
Increase/(Decrease) in Provisions	<u>2,366</u>	<u>210,577</u>
	<u>375,459</u>	<u>298,379</u>



**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

The committee has determined that the Association is not a reporting entity.

The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report:

1. Presents fairly the Association's financial position as at 30 June 2014 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the Committee's opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This Statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



.....  
Brett McKinnis (Chairman)



.....  
Christina Hosemans (Treasurer)

Dated this 23<sup>th</sup> day of October, 2014.

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Eureka Community Kindergarten Association Inc., which comprises the balance sheet as at 30 June 2014, and the income statement, and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement by the members of the Committee.

*Committees' responsibility for the financial report*

The Committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and are appropriate to meet the needs of the members. The Committees' responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's responsibility*

Our responsibility is to express an audit opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF EUREKA COMMUNITY KINDERGARTEN ASSOCIATION INC.**

*Auditor's Opinion*

In our opinion, the financial report of Eureka Community Kindergarten Association Inc. presents in a true and fair manner the financial position of Eureka Community Kindergarten Association Inc. as of 30 June 2014 and of its performance for the year ended in accordance with the accounting policies described in Note 1 to the financial statements.

*Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Eureka Community Kindergarten Association Inc. to meet the requirements of the *Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose.

*PPT Audit Pty Ltd*

PPT Audit Pty Ltd  
(Certified Practising Accountants)

*Tim Bunning*

Tim S. Bunning  
Director

Dated this 23<sup>th</sup> day of October, 2014

20 Lydiard Street South  
BALLARAT VIC 3350



## Board of Management

**Brett McKinnis** (Chair)     **Chris Jones** (Vice Chair)     **Christina Hosemans** (treasurer)

**Derek Wolstenholme** (Secretary)

**Gail Petrie**

**Paul Ryan**

**Jennie Cohalan**

**Sandy Facey**

**Paul Ballinger/Karen Mathers**

**Joanne Geurts** CEO

**Liz Bandy** Educator Representative

## ECKA Managed Services

Kindergarten	Joined ECKA
Ballarat North Kindergarten	2003
Brown Hill Kindergarten	2003
Mt Clear Community Kindergarten	2003
Mt Pleasant Kindergarten	2003
Sebastopol Kindergarten	2003
Sebastopol South Kindergarten	2003
Wendouree Preschool	2003 (transferred to Ballarat Council 2007)
Rowan View Preschool	2004
Bakery Hill Kindergarten	2005
Creswick & District Preschool	2005
Delacombe Community Kindergarten	2005
Haddon Kindergarten	2005
Iris Ramsay Kindergarten	2005
Sebastopol West Kindergarten	2005
Ballarat Fidelity Club Kindergarten	2006
Elizabeth Watkin Kindergarten	2006
Midlands Kindergarten	2007
Linda Brown Preschool	2009
Wallace & District Kindergarten	2011
Clunes & District Preschool	2011
Daylesford Kindergarten	2011
Hepburn Kindergarten	2011
Trentham Kindergarten	2011
Haddon Occasional Care	2011
Beaufort Early Learning Centre	2011
Pyrenees Shire Family Day Care	2012
Creswick Occasional Care	2012
Mt Helen Preschool	2012