

Joondalup Early Learning Centre Inc

ABN: 62 579 754 088

Financial Statements

For the Year Ended 30 June 2021

Joondalup Early Learning Centre Inc

ABN: 62 579 754 088

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For the Year Ended 30 June 2021

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Joondalup Early Learning Centre Inc

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Statement of Profit or Loss For the Year Ended 30 June 2021

	2021 \$	2020 \$
Income		
ATO Cash Flow Boost	37,500	62,500
ATO Job Keeper	90,000	84,000
Commonwealth Childcare Assistance	622,318	701,887
Employment Incentive Scheme	33,991	1,500
Fee Income	449,993	417,628
Insurance Claim Income	-	2,000
Interest Received	12,171	28,673
Sundry Income	8,991	-
	1,254,964	1,298,188
Expenditure		
Accounting and Audit Fees	6,300	17,830
Advertising	1,350	1,167
Bank Charges	5,234	5,696
Building, Grounds and General Maintenance	27,107	8,098
Cleaning	25,013	19,777
Consumables	3,454	14,649
Depreciation	11,308	11,427
Electricity and Gas	3,583	14,469
Food and Drinks	15,704	17,697
Insurance	37,815	24,985
Labour Contractors	10,330	-
Office Supplies/ Purchases	17,844	14,728
Payroll Tax	1,190	11,535
Salaries	799,792	938,205
Salaries - Annual Leave and LSL Expense	11,243	57,344
Superannuation	70,046	87,625
Staff Expenses	9,536	8,992
Telephone and Postage	3,749	3,143
Travel and Accommodation	419	5,549
	1,061,017	1,262,916
Income Tax Expense	-	-
Profit/(Loss) for the Year	193,947	35,272

The accompanying notes form part of these financial statements.

Joondalup Early Learning Centre Inc

ABN: 62 579 754 088

Statement of Financial Position For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	3	2,165,965	2,041,991
Trade and Other Receivables	4	8,991	-
ATO Integrated Client Account		(7,286)	2,142
GST Amendment		-	5,072
TOTAL CURRENT ASSETS		2,167,670	2,049,205
NON-CURRENT ASSETS			
Land and Buildings	5	127,595	51,545
Plant and Equipment	5	35,891	40,034
TOTAL NON-CURRENT ASSETS		163,486	91,579
TOTAL ASSETS		2,331,156	2,140,784
LIABILITIES			
CURRENT LIABILITIES			
Other Liabilities	7	42,615	49,631
Other Provisions	6	342,627	339,185
TOTAL CURRENT LIABILITIES		385,243	388,815
NON-CURRENT LIABILITIES			
Long -Term Provisions	6	100,000	100,000
TOTAL NON-CURRENT LIABILITIES		100,000	100,000
TOTAL LIABILITIES		485,243	488,815
NET ASSETS		1,845,913	1,651,969
MEMBERS' FUNDS			
Retained Profits		1,845,913	1,651,969
TOTAL MEMBERS' FUND		1,845,913	1,651,969

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2021

	2021
	Retained Earnings
	\$
Balance at 1 July 2020	<u>1,651,969</u>
Profit/(Loss) for the Year	<u>193,947</u>
Balance at 30 June 2021	<u><u>1,845,913</u></u>
	2020
	Retained Earnings
	\$
Balance at 1 July 2019	<u>1,616,697</u>
Profit/(Loss) for the Year	<u>35,273</u>
Balance at 30 June 2020	<u><u>1,651,969</u></u>

Joondalup Early Learning Centre Inc

ABN: 62 579 754 088

Statement of Cash Flows For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers		1,257,109	1,252,178
Payments to Suppliers and Employees		<u>(1,061,918)</u>	<u>(1,200,746)</u>
Net Cash Provided by/(Used in) Operating Activities	8	<u>195,191</u>	<u>51,432</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest Received		12,171	28,673
Purchase of Property, Plant and Equipment		<u>(83,389)</u>	<u>-</u>
Net Cash Used by Investing Activities		<u>(71,218)</u>	<u>28,673</u>
Net Increase/(Decrease) in Cash and Cash Equivalents held		123,973	80,105
Cash and Cash Equivalents at Beginning of Year		<u>2,041,992</u>	<u>1,961,887</u>
Cash and Cash Equivalents at End of Financial Year	3	<u><u>2,165,965</u></u>	<u><u>2,041,992</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial statements cover Joondalup Early Learning Centre Inc as an individual entity. Joondalup Early Learning Centre Inc is a not-for-profit Charity incorporated under the ('the Act') and registered as a Charity from 1 July 2020.

The functional and presentation currency of Joondalup Early Learning Centre Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Charity is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Charity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Charity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Charity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(b) Revenue and Other Income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Charity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Other Income

Other income is recognised on an accruals basis when the Charity is entitled to it.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Charity, commencing when the asset is ready for use.

(e) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Provisions

Provisions are recognised when the Charity 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 present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss.

3 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cheque Account	993,385	239,721
Credit Card	4,623	6,522
Petty Cash	750	830
Term Deposits	1,167,207	1,794,918
Total Cash and Cash Equivalents	2,165,965	2,041,991

4 Trade and Other Receivables

	2021	2020
	\$	\$
Debtor - Dept of State Revenue	8,991	-
Total Trade and Other Receivables	8,991	-

5 Property, Plant and Equipment

	2021	2020
	\$	\$
Buildings		
At Cost	129,010	51,545
Accumulated Depreciation	(1,415)	-
Total Buildings	127,595	51,545
Plant and Equipment		
At Cost	158,069	152,319
Accumulated Depreciation	(122,178)	(112,285)
Total Plant and Equipment	35,891	40,034
Total Property, Plant and Equipment	163,486	91,579

Notes to the Financial Statements

For the Year Ended 30 June 2021

6 Provisions

	2021	2020
	\$	\$
CURRENT		
Annual Leave and Long Service Leave	342,627	331,384
Provision for Payroll Tax	-	7,801
Total Current Provisions	342,627	339,185
NON-CURRENT		
Building Maintenance Provision	100,000	100,000
Total Non-Current Provisions	100,000	100,000

7 Other Liabilities

	2021	2020
	\$	\$
CURRENT		
Accrued Wages	26,061	26,784
Fees Received in Advance	16,298	7,490
GST Payable	256	120
Superannuation Payable	-	4,628
PAYG Tax Payable	-	10,609
Total Other Liabilities	42,615	49,631

8 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Profit for the Year	193,947	35,273
Cash Flows excluded from Profit Attributable to Operating Activities		
- Interest Received	(12,171)	(28,673)
Non-Cash Flows in Profit:		
- Depreciation	11,308	11,427
Changes in Assets and Liabilities:		
- (Increase)/Decrease in GST Amendment	5,072	137
- (Increase)/Decrease in Other Assets	608	(2,142)
- Increase/(Decrease) in Income in Advance	8,808	(15,332)
- Increase/(Decrease) in Trade and Other Payables	(15,101)	(15,522)
- Increase/(Decrease) in Accrued Expenses	(723)	7,442
- Increase/(Decrease) in Provisions	3,443	58,822
Cashflows from operations	195,191	51,432

Notes to the Financial Statements

For the Year Ended 30 June 2021

9 Contingencies

In the opinion of those charged with governance, the Charity did not have any contingencies at 30 June 2021.

10 Leasing Commitments

The Charity has entered into a lease agreement with Edith Cowan University, for Land and Buildings known as Building 12 and 12A, Joondalup Campus, WA.

Details of the lease are as follows:

Land and Buildings 12 and 12A situated at 270 Joondalup Drive, Joondalup, WA.
Lease Commencement: 11 December 2018
Lease Expiry: 11 December 2023
Term: 5 years
Annual Commitment (Ex GST): \$1.00

11 Events after the end of the Reporting Period

The financial report was authorised for issue on 16 December 2021 by those charged with governance.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Charity, the results of those operations or the state of affairs of the Charity in future financial years.

12 Statutory Information

The registered office of and principal place of business of the association is:

Joondalup Early Learning Centre Inc
270 Joondalup Drive
Joondalup WA 6027

Joondalup Early Learning Centre Inc

ABN: 62 579 754 088

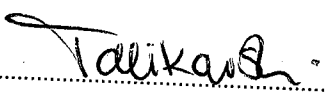
Responsible Persons' Declaration

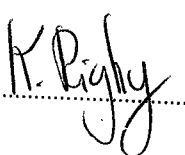
The committee has determined that the Charity is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 9:

1. Presents fairly the financial position of Joondalup Early Learning Centre Inc as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Joondalup Early Learning Centre Inc will be able to pay its debts as and when they fall due.

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

President.....

Treasurer.....

Dated: 16/12/2021.



Francis A Jones
Where people count.

Joondalup Early Learning Centre Inc

Independent Audit Report to the members of

Joondalup Early Learning Centre Inc

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Joondalup Early Learning Centre Inc (the Charity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and managements' assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Charity's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Charity in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

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 Charity to meet the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Francis A Jones
Where people count.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Daniel Papaphotis CPA
Registered Company Auditor
- 410503
154 High Street
Fremantle WA 6160

Dated: 11 January 2022