

Early Learning Association Australia

Annual Report 2012/2013



EARLY
LEARNING
ASSOCIATION
AUSTRALIA

The voice for parents and service providers

2012/2013 Report

President's Report



The past year has seen many firsts for our sector, notably the introduction of Universal Access in January 2013, and the first assessments under the new National Quality Framework. These achievements are the culmination of many years of hard work and dedication by parents and service providers to deliver high quality educational and care outcomes for every child.

It has also been a year of great change for ELAA. At our 2012 AGM, members voted unanimously in favour of our new name, thus recognising the increasingly national focus of our organisation, and the changing shape of the early learning sector.

When Kindergarten Parents Victoria commenced operations 21 years ago, early learning programs were largely delivered by parent-run, stand-alone kindergartens. Today, these programs are run by a diverse range of providers in settings including independent kindergartens, cluster-managed services, local government services, integrated services, long day care, government and non-government schools, and out-of-school-hours programs. The dedicated people who deliver them are reflected in ELAA's evolving membership base.

In the past year, we have also had some changes at board level. We welcomed June McLoughlin to the Board as Secretary, and farewelled Shane Lucas. In July, we were delighted to welcome Shane once more in his new role as ELAA CEO.

I would like to thank our former CEO, Emma King, for her exceptional work with the Board and staff to transform the organisation, support our members, and increase ELAA's relevance and reach as a truly national advocacy body.

Being President of ELAA has been an honour and a privilege. I want to thank the Board and staff for their commitment during my time at ELAA. Working with members and stakeholders, we have transformed ELAA and contributed to lasting achievements in the sector.

I am confident that ELAA, with a revitalised focus on the future, will continue to provide high-quality advisory services, training and information for all our dedicated parents and professionals.

We will also continue to be a strong national voice for the interests of children, families, and service providers at the highest levels of government, and in the public domain.

DANNY PEARSON

CEO's Report



I commenced as CEO of ELAA in July and present this 2012–13 report in acknowledgement of my predecessor, Emma King.

2012–13 has been a year of unprecedented change for ELAA and for the early learning sector.

At last year's AGM, members unanimously supported our name change from Kindergarten Parents Victoria to Early Learning Association Australia. The change became effective on 1 January 2013.

Our branding, materials and website have been revitalised to reflect our new name. Our key resources (*Early Childhood Management Manual V2* and *PolicyWorks – NQF*) have also been updated.

Our advisory service has been extremely active this year, as the team has responded to over 13,000 inquiries. The demand for ELAA's professional training programs has also grown substantially, with over 1300 people attending workshops and seminars. The Early Childhood Education Conference also attracted a record number of delegates and exhibitors.

Nationally, we have been a strong supporter of the reform agenda. Throughout 2012–13, we have worked with members

to meet the challenges of the NQF and Universal Access implementation, and have advocated at all levels of government for funding to position services for success.

We were pleased that two priorities identified in our Victorian State Budget submission were successful. This included funding for an innovative partnership with Playgroup Victoria for children in rural communities to access quality learning programs, and funding to help services implement the NQF.

We are grateful for the positive relationships we have with portfolio Ministers and senior public servants at State and Commonwealth level. We also appreciate the support of our community-based and commercial partners.

I want to thank our outgoing President, Danny Pearson, for his leadership over six years on the board of KPV/ELAA. Under Danny's stewardship, our organisation has constantly evolved to meet new challenges in a changing sector. I would also like to thank ELAA staff for their hard work over 2012–13 and for their support during my early months in this role.

But most of all, I want to thank all our members. It is a privilege to be CEO of an organisation whose members are dedicated as we are to achieving the vision of excellence in early learning for every child.

SHANE LUCAS



ELAA will continue to be a strong national voice for the interests of children, families, and service providers at the highest levels of government, and in the public domain.

Danny Pearson, President

Our Board

Top row: Left to right – Danny Pearson (President) board member since 2005; Jo Geurts (Treasurer) board member since 2010; June McLoughlin (Secretary) board member since 2012. **Middle row: Left to right** – Lee Cath, board member since 2011; Karalynn McDonnell, board member since 2009; Nicole Pilsworth, board member since 2011. **Bottom row: Left to right** – Ben Willee, board member since 2011; Carlene Wilson, board member since 2011; Katie Wyatt, board member since 2011.



Our partners

ELAA is grateful to our corporate partners and event sponsors for their investment in the early childhood sector and the support of our members through excellent services.

We would like to thank the Creswick Foundation and the consultants for their contribution during the year.

We would also like to thank the Department of Education and Early Childhood Development for their ongoing funding of key programs and projects, supporting us in delivering high quality services to the early childhood sector. ELAA has enjoyed strong relationships with various representatives of the Department, from both central office and the regions, working together on key projects which, we believe, will create lasting benefits for the sector.

We appreciate the valuable legal advice and guidance provided by Russell Kennedy.



Most of all, I want to thank all our members. It is a privilege to be CEO of an organisation whose members are dedicated as we are to achieving the vision of excellence in early learning for every child.

Shane Lucas, CEO

Our organisation

A strong voice for our members

ELAA is the peak organisation representing the voice of parents and service providers of quality early learning for all children.

Our membership represents more than 1200 early learning providers including independent kindergartens, cluster managers, integrated services, government and independent schools, before and after-school care providers, long day care services, and local governments.

We provide advice, resources, training and advocacy relating to governance, industrial relations, management practice, and family and community engagement in early learning services.

We advocate on behalf of families, children and service providers in consultations about the development of early learning policy and service delivery with government, community, educational institutions and other interested stakeholders.

Our Vision and Mission

Vision: Excellence in early learning for every child

Mission: As a national peak body, we champion excellence in early learning for children across Australia to support parents and service providers

Our Values

Excellence – Learning – Integrity – Respect –
Enabling – Inclusive

Our staff

Chief Executive Officer: Shane Lucas (Emma King, until June 2013)

Deputy Chief Executive Officer: Sunitha Raman

Advisory Team: Carrie Chetcuti, Glenda Glover, David Haesler, Melissa Hogan (until June 2013), Vanessa Kenny, Zora Marko, Laura Mondon, Anita Valenzisi

Communications and Policy: Tina Baldwin, Cass Marxsen, Janine Sim-Jones (until October 2012), Sue Smith

Administration and finance: Andrea Foreman, Sally Gross, Christina Martono, Trevor Olsen, Tania Smith, Janelle VanderWerf

Advocacy

ELAA is a strong voice for parents and service providers as an advocate for quality and excellence in early childhood policy and service delivery.

Regular reference groups and our annual membership survey give members an opportunity to highlight important issues that impact on their ability to deliver services to children and families, which in turn informs our advocacy efforts.

Our Cluster Manager Reference Group, chaired by ELAA Board member Jo Geurts, is a regular consultative forum where cluster manager members share information, and discuss critical issues and the implications of sectoral change.

Our Industrial Relations Reference Group ensures that the ELAA Board and staff have an informed opinion on enterprise bargaining priorities and the range of workplace issues affecting the sector.

Our membership survey enables us to continually improve our services and helps determine the issues we prioritise in our discussions with policy makers.

In 2012–13, the survey showed that the implementation of the National Quality Framework (NQF) and Universal Access are

Support for members

Advice

In 2012–13 ELAA's advisory service responded to more than 13,000 phone calls and emails supporting services across Victoria. The inquiries covered a vast array of issues including committee conflicts, interpretation and review of constitutions and policies, cluster management, NQF requirements and standards, budgets, industrial issues, parent complaints and the introduction of Universal Access.

Our membership survey in late 2012, showed the phone service to be a highly valued resource among members – achieving a satisfaction rate of more than 98 per cent.

Our advisory team also worked closely with services experiencing more complex difficulties, providing intensive case management including site visits and face-to-face meetings.

Implementation of Universal Access proved to be a major focus of our consultancy services this year, as we provided targeted advice and support to help individual services and clusters develop models to provide 15 hours of funded kindergarten for four year olds in 2013.

Two of the larger Universal Access projects included a project covering 10 services and the Eastern Region Change Management Process, covering 72 services funded by the Department of Education and Early Childhood Development in the Eastern Region.

Our support services to members in relation to Occupational Health and Safety continued to be a growth area during this year. ELAA conducted OHS inspections, and provided guidance on OHS matters and staff training for numerous services.

major issues for members surveyed – and these issues continue to be a primary focus of our advocacy work.

ELAA is a strong supporter of Universal Access as we believe it helps deliver great benefits for four year olds in early learning settings. However, our members have cited infrastructure needs and the difficulty recruiting suitable staff as two major issues affecting Universal Access implementation. We also understand the value of three-year-old programs and believe it is crucial they are supported.

ELAA is also a strong supporter of the national quality agenda, developed and implemented by the Council of Australian Governments and based on persuasive research evidence. These national reforms, including higher level qualifications for educators and an increase in educator-to-child ratios, have already led to significant improvements in the quality of early learning programs for all Australian children.

We have raised these issues with State and Commonwealth Ministers and senior public servants, and will continue to advocate on behalf of members to ensure they receive the support they need to implement these important reforms.

We have also been active in policy development by contributing submissions to major State and Commonwealth budgetary and consultation processes, and by engaging regularly with decision makers and sector partners on issues affecting our members.

We were pleased that two specific priorities identified in our 2013 budget submission to the Victorian Government were successful, including funding for an innovative partnership with Playgroup Victoria to support children and families in regional communities to access quality learning programs, and funding for ELAA to provide direct support to services to implement the NQF.

We are grateful for the positive relationships we have with portfolio Ministers and senior public servants at State and Commonwealth level. We also appreciate the support of our community-based and commercial partners.

In 2013, we also commenced enterprise bargaining with the Australian Education Union and United Voice – as representatives of teachers and assistants in the kindergarten sector – to negotiate a new agreement to replace the *Victorian Early Childhood Teachers and Assistants Agreement 2009*.

Training

Demand for ELAA training increased during 2012–13 from last financial year and more than 1000 participants attended seminars and workshops on a variety of topics, including the NQF and positive behaviour management. Over 300 people attended free committee training sessions funded by DEECD on governance related matters and more than 100 people completed our on-line committee training package, *Passing the Baton*.

The seminars and workshops, led by early childhood education experts Catharine Hydon, Jo Lange and Nicole Pilsworth, proved extremely popular and achieved positive evaluations from attendees.

The 2013 Early Childhood Education Conference *Together We Grow – towards excellence* at Caulfield Racecourse, was the tenth conference hosted by ELAA and Gowrie Victoria and attracted over 1000 delegates – a record number. The event provides a major professional development and networking opportunity for service providers, educators and staff. High profile international and Australian speakers explored the contemporary issue of excellence in the delivery of high quality early childhood education and care programs.

ELAA was funded by VicRoads to deliver the *Starting Out Safely* road safety education program in 2011. The second year of the project has seen a massive expansion in the delivery of education sessions to audiences from across the community. The initiative includes educational programs for early childhood tertiary students and educators, parents and carers from CALD communities, Family Day Care services, and Maternal and Child Health professionals. More than 500 ThingleToodle sessions were delivered to funded kindergarten programs across Victoria.

As part of this project, ELAA is contributing expert advice to a number of Road Safety Advisory groups.

Resources

ELAA's website was updated to reflect our new name and branding. The website has also been redesigned to be more user-friendly for visitors wanting to book training events, shop for ELAA resources, access the McArthur jobs board, and be kept informed of issues affecting the sector.

ELAA's essential manual – *Early Childhood Management Manual* – was updated this year to reflect the national reforms and was launched at the 2013 Conference. The manual has proven to be an invaluable resource for members as reflected in the large number of sales.

Our *PolicyWorks Manual – NQF* provides a practical guide to help services develop policies to comply with the framework. PolicyWorks was revised and made available online and continues to be in high demand from members and other early childhood service providers.

Preschool Matters (our quarterly magazine), regular Industrial Bulletins, monthly member mail-outs, and our fortnightly *E-news* continue to inform members of the latest developments and issues affecting the sector. *E-news* now has over 3000 subscribers.

The *Caring for Kids* raffle continues to be a popular resource for members, providing valuable fundraising support for early childhood services and playgroups. This year the raffle raised more than \$86,000 for the early childhood sector.

Financial statements

Treasurer's Report

Summary

The financial statements presented with this report are for the year to 30 June 2013 and disclose an operating surplus of \$311,554 (2012 Surplus \$217,364), and a net asset position of \$1,274,404 (2012: \$962,850).

Income and Expenditure Statement

The net surplus can be attributed in large part to the unanticipated increase in attendance at the annual Early Childhood Conference, and the uptake of ELAA's suite of training programs, seminars and resources, driven by the sector's demand for up-to-date, high quality information and support relating to the implementation of the National Quality Framework and Universal Access. For example:

- a greater than anticipated patronage of the *Together We Grow Early Childhood* Conference in 2013, which attracted over 1000 delegates (\$95,000),
- strong patronage of the training seminars delivered by ELAA which focused on topics of current interest around the implementation of the NQF (\$75,000)

- increase in ELAA memberships (\$20,000); and
- strong uptake of our flagship resource materials ECMM and PolicyWorks, by both members and non-members (\$76,000).

Balance Sheet

The balance sheet indicates that ELAA has a solid net asset position with sufficient liquid assets to meet all liabilities.

Going Forward

The Board has consciously worked to achieve a surplus during the past three years and this year's surplus is an excellent result for ELAA. This has been achieved through the hard work of ELAA staff, resulting in greater than anticipated gains in the income items stated above.

The surpluses we have achieved since 2010 have helped to offset losses made in the preceding years. This has ensured that ELAA has sufficient reserves to ensure financial viability into the future and the capacity to deliver against the priorities to be detailed in our 2014–2016 strategic plan.

ELAA will continue to focus on achieving a surplus during the upcoming year, and current budget projections support this aim.

JO GEURTS, TREASURER

Independent Audit Report to the Members of Early Learning Association Australia Inc.



We have audited the condensed special purpose financial statements of Early Learning Association Australia Inc. (the Association) contained within this report which comprises the balance sheet as at 30 June 2013 and the income and expenditure statement for the year then ended, in accordance with Australian Auditing Standards. The condensed financial statements have been derived from the annual financial report of the Association.

Audit Opinion

In our opinion, the information reported in the condensed financial statements is consistent with the annual financial report from which it has been derived and upon which we expressed an unqualified audit opinion in our report to the members of the Association dated the 11th of October 2013. For a better understanding of the scope of this audit these statements should be read in conjunction with our audit report on the annual financial report.

CROWE HORWATH
MELBOURNE

GORDON ROBERTSON
Partner

Melbourne, Victoria
Dated this 11 October 2013

Income and expenditure statement for the year ended 30 June 2013	2013 \$	2012 \$
INCOME		
Revenue from operating activities	2,625,150	2,305,498
Interest revenues	86,481	70,445
	2,711,631	2,375,943
EXPENDITURE		
Employee benefits	(1,323,110)	(1,222,606)
Other staff costs	(34,088)	(7,437)
Depreciation	(24,863)	(15,720)
Professional fees	(24,565)	(14,519)
Occupancy costs	(147,884)	(140,257)
Conference and training costs	(285,763)	(246,814)
Program consulting costs	(300,574)	(285,514)
Office expenses	(165,691)	(126,847)
Marketing and advertising costs	(66,710)	(83,321)
Finance costs	(8,015)	(6,657)
Other expenses	(18,814)	(8,887)
	(2,400,077)	(2,158,579)
Current year surplus before income tax	311,554	217,364
Income tax expense	-	-
Net current year surplus after income tax	311,554	217,364
Accumulated surplus at the beginning of the financial year	962,850	745,486
Accumulated surplus at the end of the financial year	1,274,404	962,850
Balance sheet as at 30 June 2013	2013 \$	2012 \$
ASSETS		
Current assets		
Cash and cash equivalents	723,769	982,739
Trade and other debtors	115,723	56,939
Financial assets	1,242,939	948,047
Other current assets	23,648	10,704
Total current assets	2,106,079	1,998,429
Non-current assets		
Property, plant and equipment	48,950	67,503
Total non-current assets	48,950	67,503
Total assets	2,155,029	2,065,932
LIABILITIES		
Current liabilities		
Trade and other payables	205,262	383,576
Income in advance	503,232	590,646
Employee provisions	134,851	84,132
Total current liabilities	843,345	1,058,354
Non-current liabilities		
Employee provisions	37,280	44,728
Total non-current liabilities	37,280	44,728
Total liabilities	880,625	1,103,082
NET ASSETS	1,274,404	962,850
EQUITY		
Accumulated surplus	1,274,404	962,850
TOTAL EQUITY	1,274,404	962,850

The accounts presented in this Annual Report are an extract from the Audited Financial Report of 30 June 2013. All numbers in AUD\$.



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Level 3, 145 Smith Street, Fitzroy VIC 3065
PO Box 1246, Collingwood VIC 3066
t (03) 9489 3500 | 1300 730 119 (rural)
f (03) 9486 4226
e elaa@elaa.org.au
w www.elaa.org.au