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PRESIDENT AND CEO'S REPORT

Grant Boyd



David Worland



The declaration by the World Health Organisation of a pandemic linked to coronavirus (COVID-19) on 11 March 2020 commenced what has become a very protracted and detrimental impact on global health, social and economic outcomes. Financial year 2020/21 was characterised by extended periods of lockdown, creating significant challenges for families to balance their home and work lives effectively as face-to-face delivery of Early Childhood Education and Care (ECEC) services was restricted, at times, to essential workers and vulnerable children.

ECEC service providers, teachers and educators responded exceptionally well to the challenges facing them. During lock down periods, creative approaches were adopted through remote learning and use of new technology to stay engaged with families, children and communities. Face-to face delivery continued where possible, with the amazing ECEC workforce more exposed than most parts of the community to the possible transmission of COVID-19.

As a small not-for-profit peak organisation, ELAA was also stretched at times to well beyond capacity in being able to provide same day responses to member questions. Enquiries into ELAA are up 108% compared to pre-COVID levels with staff in the Member Solutions team working harder than ever to respond to each member enquiry with the latest information and advice. A new phone system was introduced in May 2021, leveraging Microsoft Teams technology and enabling staff to be connected to members whilst working remotely

from the ELAA office. Twice daily meetings were held with key staff throughout much of 2020/21, during which the latest policy, funding and regulatory advice was dissected, questioned and clarified with both Federal and State Government ECEC Ministers and their departmental staff. ELAA's website was updated daily with the latest responses to often very complex frequently asked questions.

ELAA's advocacy messaging to all levels of government was also significant. We are particularly proud of several significant advocacy wins during 2020/21, including:

- free kindergarten funding for Victorian families, providing affordable access to families and a defined revenue stream for service providers
- free childcare funding for a time from the Australian Government, something we would like to see embedded in policy ongoing
- transition support payments for Commonwealth funded Long Day Care (and other) service providers
- securing a 50% increase in base funding for Early Years Management (EYM) organisations, reflective of the increasingly significant overheads carried by EYMs
- successfully negotiating the new Victorian Early Childhood Teachers and Educators Agreement (VECTEA), with a step change in conditions for staff and a commensurate funding increase for service providers.

PRESIDENT AND CEO'S REPORT

Amidst the disruption, ELAA successfully developed a new long-term organisation strategy. Endorsed by the Board in October 2020, the ELAA 2025 strategy is centred around the vision of 'excellence and equity in Early Childhood Education and Care'. The main elements of the strategy emphasise:

- continuing to evolve ELAA's member solutions to meet the changing needs of ECEC services
- improving the effectiveness of ELAA's advocacy at all levels of government, by using data, leveraging partnerships and providing policy solutions
- developing approaches that ensure ELAA can remain a capable and sustainable organisation long term.

Pleasingly, ELAA's staff morale and engagement score reached record levels in 2020/21, with an average score of 8.2 / 10. Financial results reflect an annual profit of just over \$123K. This result was achieved through a combination of stabilised operating overheads, profitable use of grant revenue and access to cash flow and Job Keeper funding. With an asset base of just over \$1M, ELAA is well placed to face the challenges of the future. A new leadership team and organisation structure has been aligned to the achievement of the ELAA 2025 strategic priorities and we are confident that ELAA will continue to deliver exceptional, sustainable support to members in the long term.

The ELAA Board and CEO would like to acknowledge the professionalism and resilience of our members and the sector in continuing to offer the highest quality ECEC during this period of significant disruption. This thank you extends to the amazing group of talented and dedicated ELAA staff that have also managed the challenges and continued to deliver positive outcomes extremely well. Finally, thanks also to our ELAA partners, sponsors, the Victorian Department of Education and Training, Department of Transport, and Transport Accident Commission for their continued support to ELAA in improving the lives of Australian families and children and supporting the ECEC providers that deliver quality, play-based education and care in their communities.

Grant Boyd (President)

David Worland (CEO)

“Amidst the disruption, ELAA successfully developed a new long-term organisation strategy. Endorsed by the Board in October 2020, the ELAA 2025 strategy is centred around the vision of excellence and equity in Early Childhood Education and Care.”

OUR STAFF

CEO: David Worland

GOVERNANCE AND OPERATIONS

Manager – Governance and Operations: Nancy Saliba

Specialist – Administration: Johanna Morcom

Specialist – Administration: Julie Thompson

ADVOCACY SOLUTIONS

Director – Advocacy Solutions: Megan O’Connell

Specialist – Advocacy Solutions: Lisa Minchin

Graduate Student Intern: Inigo Ortile

Graduate Student Intern: Noah Hurst

Graduate Student Intern: Thomas Higgs

BUSINESS DEVELOPMENT

Director – Business Development: Wendy Mason

Specialist – Membership Growth: Tessa Cerreto

Specialist – Marketing: James Gardener

Specialist – Partnership Growth: Luci Tassone

MEMBER SOLUTIONS

Senior Advisor – Member Solutions: Sharon Rogers

Advisor – Member Solutions: Marice Lamovska

Advisor – 3-year-old kindergarten: Carrie McCluskey

Advisor – Professional Learning and Development / Consultancies: Lynsey Leong

Senior Advisor – Workplace Relations: Emma Incerti-Zapedowski

Advisor – Workplace Relations: Miles Quintarelli

PROJECT DELIVERY

Manager – Project Delivery: Sage Michaels

Coordinator – Project Resources: Loredana Dowdle

Road Safety Education Project Lead: Zora Marco

Coordinator – Road Safety Education Administration: Anita Valenzisi

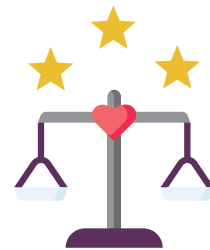
Specialist – Road Safety Education Administration: Christina Martono

“The budget announcement of the additional funding for Early Years Management organisations came after several years of consistent advocacy. The success of the advocacy was due to our collaboration with members, gathering the necessary evidence, and communicating the challenges to all levels of government.” – Lisa Minchin (Specialist – Advocacy Solutions)

“Our Road Safety Education team has been able to increase our voice in the ECEC sector through increased collaborations with services, and key stakeholders including DoT, TAC and WorkSafe.” – Zora Marco, Anita Valenzisi, and Christina Martono (ELAA Road Safety Education Team)

“ELAA’s Learning Brought to Life 2020-21 program saw hundreds of early childhood professionals across the country come together to learn and develop themselves professionally in what was a very chaotic and unstable year. The constant in this ever-changing environment was the desire to up-skill and build-up our knowledge to help us become better early childhood professionals for the sake of our children.”
– Lynsey Leong (Professional Learning and Development Advisor)

EXCELLENCE AND EQUITY



THEN

ELAA and its predecessor, Kindergarten Parents Victoria, have long championed access to quality early learning for every child. We contributed to the debate about defining quality and excellence with the establishment of a National Quality Framework (NQF) and national curriculum which apply across Early Childhood Education and Care services (ECEC).

ELAA strongly advocated to maintain the integrity of the Australian Children's Education and Care Quality Authority (ACECQA) for the critical role it plays driving continuous quality improvement in the implementation of the NQF and the National Quality Standards.

Since 2008 the funding of 600 hours of kindergarten for children in the year before school was a year-by-year proposition. Over the years, ELAA mounted numerous campaigns for

ongoing funding, and, as the evidence became available, we expanded our advocacy focus making the case for funding of two years of preschool. In May 2021 the Australian Government made a commitment of \$2 billion in ongoing funding for preschools through a four-year Strategic Reform Agreement. From 2022, all Victorian three-year-old children will also have access to a minimum of five hours of kindergarten.



'Make Kindergarten a Priority' Victorian Election Campaign billboard (2006).

NOW

During 2020/21 ELAA supported excellence and equity in ECEC through our member services, resources and advocacy.

We provided advice and support to over 750 ECEC providers and services (members and non-members) and supported them to continue to operate during the height of COVID-19. We also provided targeted advice and customised resources to support members to adapt to rapidly changing circumstances. ELAA supported members to deliver quality whilst adapting to changes to funding and COVID-19 workplace settings that continue to impact the sector.

We worked across government and with members to ensure the smooth implementation of free kindergarten to support children to remain engaged in ECEC. We also supported our Commonwealth funded members, successfully advocating for sustainability support funding when enrolments decreased to unsustainable levels.

We continued to negotiate a new employment agreement on behalf of our members that sets a benchmark in pay and conditions across the sector. The new Victorian Early Childhood Educators Agreement (VECTEA) will drive excellence in ECEC by supporting

the sector to attract and retain educators and teachers through improved wages and conditions.

We released a number of resources and templates this year to support providers and services to deliver quality services for children. Achievement of excellence and equity is directly linked to the policies and procedures services have in place. We released the PolicyWorks Catalogue to provide templates to assist services to develop and update policies and procedures to meet legislative, regulatory and funding requirements. We also released ModelWorks - a guide to support services to develop models and timetables that will ensure they can meet the needs of children, families and the community, maintain viability and compliance, and implement reform change.

This year, we launched Learning Brought to Life, a program of accessible and affordable professional development sessions and modules that focus on practical skills for education practice and service management. Development, growth and capacity building is the bedrock for progress, and our ten Learning Brought to Life sessions and modules focused squarely on providing teachers, educators, committees, leadership and allied professionals with high quality, practical training.

"Achievement of excellence and equity is directly linked to the policies and procedures services have in place."

THE FUTURE

Our future work plan is ambitious. We continue to advocate for excellence and equity in ECEC.

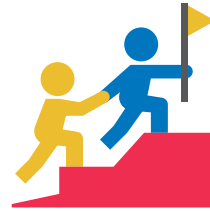
Sustainability remains core to our mission. We will continue to strive to better understand funding and delivery models that drive excellence, and advocate for ongoing funding to ensure the future viability of our sector. This is in addition to supporting members with quality resources, training and advice.

We will further our work to support innovative workforce development and retention models. We will work with members, partners and government to develop, trial and scale workforce initiatives to ensure community based ECEC services can access, develop, support and retain a high quality workforce now and into the future.

Quality remains at the centre of what we do. We will continue to provide quality member support, resources and training to enable our members to provide high quality services. We will also advocate to protect our national frameworks that underpin our system.

2021/22 will see the revised National Quality Framework (NQF) released for consultation, the National Workforce Strategy and the Early Years Learning Framework draft consultation. ELAA will continue to be a leading voice, advocating on behalf of our members for excellence and equity.

LEAD AND INFLUENCE



THEN

Kindergarten Parents Victoria (KPV) was established at a time when kindergarten funding was cut by 20% overnight. Kindergartens were managed by parent committees which struggled to manage such a big shortfall.

Through the initiative of a small group of parents, KPV was formed as a means of providing support to parent committees struggling to cope with the administrative and financial demands.

KPV set up an advisory service for parent committees and advocated for increased funding and better systems of support. A review of funding of preschool education in 2000 showed that Victoria was forty percent below the national average. Parent committees were fundraising, needed to significantly increase parent fees, and staff salaries were at risk.

Extensive campaigns by KPV for a review of supports for parent committees led to the establishment of Early Years Management organisations (formerly known as kindergarten cluster management) which provide professional management of kindergarten services and have been a welcome addition to the diversity of the early years sector.

After decades of campaigning, today Victoria leads the nation in its investment in the early years.

NOW

ELAA remains a leading voice in Early Childhood Education and Care (ECEC).

2020/21 focused on maintaining sector viability in the face of a worsening pandemic. ELAA was at the interface of government and department decisions, playing a key role on state and federal advisory panels to reflect the voice of members and the need for tailored assistance as COVID-19 continued to impact services.

We are pleased that our advocacy was heard, with initiatives such as cleaning grants supporting kindergartens to respond to the pandemic. We advised the Victorian and Australian governments of supports needed to respond to the COVID-19 crisis, including to ensure children remained engaged in services. We were pleased to see measures to support Commonwealth funded services to remain viable, and for free preschool at a state level.

Our ongoing advocacy to support sustainability of the Early Years Management (EYM) model was successful in securing additional funding for EYM services. This vital funding comes off the back of research and data driven advocacy over several years, and will support growth of the EYM model.

ELAA has continued its advocacy with likeminded community peaks including Community Early Learning Australia and Community Child Care, meeting with the Australian Minister for Education and Youth, Alan Tudge, to outline the strengths of the community based early childhood sector. We have also actively engaged with Victorian Minister for Early Childhood, Ingrid Stitt, and the Department of Education to inform the continual rollout of the Victorian 3-year-old kindergarten program.

We have engaged actively with our members throughout the course of 2020/21 to inform submissions on a range of key early childhood issues including the review of the National Quality Framework (NQF) and the National Workforce Strategy.

We heard your voices about the pressure on the workforce being exacerbated by COVID-19, and have advocated for the workforce to be prioritised in access to vaccines, and for innovative workforce strategies to be implemented and evaluated in partnership with peak bodies.

“We have engaged actively with our members throughout the course of 2020/21 to inform submissions on a range of key early childhood issues including the review of the National Quality Framework (NQF) and the National Workforce Strategy.”

THE FUTURE

ELAA is further developing its capacity to lead and influence the Early Childhood Education and Care (ECEC) sector. We are developing our ELAA 2025 advocacy strategy to provide a strategic framework to underpin our advocacy – including building our capacity to deploy data and evidence as the foundation of our efforts.

Throughout 2021/22 members will start to see some new approaches being trialled, including ways to engage members in the policy submission and advocacy process and new ways of gathering data. We look forward to members’ active engagement – it is their views, initiatives and narratives that will help us shape future policy directions.

Members will also see strengthening of our networks across the community based ECEC sector and beyond, recognising the strength in joint advocacy where our voices and interests align.

We are also renewing and strengthening our commitment to using research, data and evidence to underpin our analysis and to support the identification, creation and scaling of solutions.



KPV Board celebrating KPV's first birthday in 1992.



QUALITY SOLUTIONS



THEN

Since 2011 ELAA has delivered the Starting Out Safely Program.

Previously, VicRoads provided Road Safety Education (RSE) resources such as colouring in pages and most services undertook limited Road Safety Education in Term 4 to prepare children for school. How times have changed. We started delivery at the same time as the new National Quality Standards came into effect. ELAA has delivered professional development on the embedding of RSE into the Early Childhood curriculum to over 10,000 early childhood educators. Most services now teach RSE in real life situations on excursions and recognise that RSE is an enabler for children as citizens to be active participants in their community.



NOW

ELAA has continued to deliver projects in partnership with the Victorian Department of Education and Training (DET), and the Department of Transport (DOT) throughout 20/21, delivering quality solutions for our members, the sector and government.

- In the midst of COVID-19 the Starting Out Safely Program faced challenging obstacles to continue delivery of Road Safety Education. With support from Department of Transport we were able to deliver virtual ThingleToodle visits and hold large scale Zoom professional development sessions. We developed many multilingual resources, worked with a film company to produce videos to support the ThingleToodle sessions and re-imagined ThingleToodle from a large mascot to a puppet the size of a 4-year-old. The year saw another iteration of the Inquiry Project where we provided intensive support to a group of early childhood educators to tackle local road safety issues. We will be presenting our findings to the Australasian Road Safety Conference in September. We also completely redesigned our website and produced many new resources for the sector.
- The Member Resources Renewal project focused on the redevelopment of 11 policies and consulting through an Advisory Group comprised of representatives from the sector.

The project solidified our position as a trusted supplier of high-quality resources, producing policy templates that are accurate, applicable to different sector settings, usable, easily understood and sustainable. We also consulted with relevant independent expert organisations including the Royal Children's Hospital, DET, Cancer Council Victoria and the Department of Health, ensuring our policies were backed by the experts and regulatory bodies. Over 90 providers accessed the new PolicyWorks Catalogue before the end of the membership year.

- The Employee Management and Development (EM&D) Project ended following the release of an updated resource, online modules and 12 online webinars, focusing on building employer capacity in employee management in the early childhood sector. The EM&D Resource has been downloaded over 550 times since publication in October 2020.
- Following the cancellation of ELAA's annual conference in July 2020, we pivoted to an online professional development program. The program saw five sessions delivered to June 2021, and a number of self-paced modules developed that are accessible for teachers, educators, parent committee volunteers, organisation leaders, and allied professionals at any time.

"There is a strong appetite for research and training within the team, as evidenced by our regular team sharing of critical sector data and updates, and our engagement in robust dialogue about interpretation of industrial awards and many other relevant topic areas."

BUILDING A TEAM: SHARON ROGERS, MANAGER, MEMBER SOLUTIONS

As a former mentor and pedagogical leader, I have always been interested in what elevates a good team to a great team. What are the values, actions and goals that highly effective and happy teams possess and display in their everyday work?

Our incredible team in Member Solutions could not be more dedicated to excellence and equity and I feel so fortunate to work alongside my team of five remarkable people. Each individual staff member has their own unique skills set and professional history which informs their quality advice and support to our ELAA members.

Within the team we have past early childhood teachers, industrial relations experts, a range of university degrees including psychology and politics, and broad practical experience of this sector and of other sectors, all of which inform our own practice as advisors and subject matter experts.

There is a strong appetite for research and training within the team, as evidenced by our regular team sharing of critical sector data and updates, and our engagement in robust dialogue about interpretation of industrial awards and many other relevant topic areas. We have a growing information repository that provides a structured tool for our research, training, reflections and collaborations and I am proud of

the solutions focus and growth mindset that underpin our continuous improvement.

Whilst not an exhaustive list, building a team involves, collaborating on shared values, purposes and deliverables, leading with equity, kindness and transparency, sharing successes and failures across the team, valuing diverse approaches and skill sets and finally, planning for succession and growth opportunities for individuals and the team.

THE FUTURE

As the sector's needs change, ELAA will continue to provide the quality solutions our members, stakeholders and government have come to expect of us, albeit with transformation of the way we work and engage, and the services and solutions we provide.

Utilising a cloud-based customer relationship and case management system (to be adopted in 2022), we will be able to continuously draw on insights from our member engagements to better anticipate common issues and proactively develop resources and

targeted professional development to support our members.

The way members access advice and support will transform as well. There's no denying the benefits of ELAA's one-to-one advisory supports but that isn't available 24/7. We're seeing our members increasingly engage with us digitally and anticipate that this will be a core solution channel in the future.

Our members and the sector will be able to access advice, resources and training through a centralised, web-based knowledge centre that's accessible at any time. This self-service approach will enable our members to

find answers to their queries more effectively, and in one place. We also anticipate being able to strengthen the connections and shared knowledge between members through this knowledge centre, providing an avenue for members to discuss shared challenges or successes, ask questions and build networks.

We will continue to successfully deliver projects in partnership with government that respond to the needs of our sector, particularly around the sustainability of standalone kindergarten services, workforce, and governance and leadership.

CAPABLE AND SUSTAINABLE



THEN

NOW

DOUBLE HANDLING AND MINIMAL INTEGRATION

Only a few short years ago ELAA relied on many manual administration processes, and what technology we had often did not integrate with other systems in our organisation. For example, conference registrations (sometimes around 1000) had to be manually entered into a data base and payments were physically checked off against bank statements. Outstanding payments required a phone call. We handled a lot of cheques and cash and managed registrations for key programs, like our professional development series, through a single-user ACCESS database. Lack of automation and integration also sometimes led to miscommunication and duplication of effort.

KPV staff circa 1997



ENHANCED BUSINESS SYSTEMS

Over the past couple of years, and particularly during 2020/21, ELAA has made significant improvements to efficiency and productivity by improving work processes and investing in cloud-based technologies such as:

- Microsoft 365 (for secure, integrated office systems)
- Microsoft Teams (for phone calls and team collaboration)
- Xero Accounting Software (for billing, invoicing and payroll)
- SharePoint (for document management)
- Trello (for project management)
- Zoom meetings and webinars (for meetings, training and member forums)
- enhanced onsite video conferencing capability.

These changes have helped our staff to focus more on delivering quality outcomes for our members and stakeholders.



In May 1991, KPV was officially launched by the then Premier, Joan Kirner, who was a long-time supporter of KPV/ELAA and advocate for parents and young children.

In addition, we are working towards implementing a new Customer Relationship Management (CRM) system to better assist our staff to work remotely and build sustainable workplace practices (by reducing paper and energy). The new CRM will greatly enhance ELAA's ability to analyse member service levels and needs, member growth, marketing and to integrate these with our administrative systems with the result being a far more seamless member experience.

MAINTAINING AND GROWING OUR MEMBERSHIP

Our membership base has continued to grow, representing over 630 members and their 1250+ services. ELAA achieved a 97 % retention rate of members for the 2020/21 period, with many members praising the support, service and communication they received during the challenging COVID-19 environment. For the renewals for the 2021/22 period completed in May/June 2021 ELAA saw a 100% renewal rate of EYM members.

Throughout the year we constantly sought feedback from members, listening to their needs and subsequently making improvements to our services and offerings. ELAA continued to promote its value and benefits to the wider sector which resulted in further enquiries and welcoming new members. In February 2021 ELAA appointed a staff member to focus on growth in the membership program.

"Our Membership base has continued to grow, representing over 630 members and their 1250+ services."

THE FUTURE

PROMOTING ELAA AND KEEPING OUR MEMBERS INFORMED

ELAA delivered an informed and agile news and information stream to members over 2020/21 to support them through COVID-19. Key areas of focus were keeping members up-to-date on changing regulations and policies re COVID-safe practices, funding support, and resulting industrial relations obligations. This was done while continuing all business-as-usual communications plus targeted communications to support ELAA projects and sector initiatives. Key examples included the promotion of ELAA's 'Learning Brought to Life' online Professional Development program; the 3-year-old kindergarten expansion roll-out in Victoria; and the voting, ratification and implementation process for the new Victorian Early Childhood Teachers and Educators (VETEA) agreement.

During the year we also sought to better leverage our digital assets (social channels, email marketing software and website) to promote PD events, new memberships and renewals, resources and engagement with our advocacy initiatives.

UPDATED HUMAN RESOURCE POLICIES AND INTEGRATED SYSTEMS

ELAA will be working towards implementing an Integrated People and Culture Framework including:

- design and implementation of a Performance Review Framework and supporting Human Resources (HR) system that aligns with ELAA behavioural competencies
- updating our HR policies in line with ELAA processes and current employee legislation.

These enhancements will contribute to a capable and sustainable organisation through improved culture, staff capability, morale, and retention.



POSITIONING FOR THE FUTURE, A NEW SUSTAINABILITY AND GROWTH STRATEGY

In the past year, ELAA has focused on revenue growth opportunities in the short term whilst commencing work on a long-term, robust, sustainability and growth strategy that emphasises consolidation of existing revenue and leverages new opportunities. Led by the CEO and with guidance from the Board, this new strategy will consider emerging trends and identifying growth priorities that will be critical to ELAA continuing to be a capable and sustainable organisation into the future.

Despite the challenges and constraints COVID-19 has presented, we are confident that ELAA's capacity to be nimble and proactive will result in a strong financial position that will enable ELAA to achieve its vision and purpose.



OUR BOARD



GRANT BOYD – PRESIDENT

Appointed: 2018

Expertise: government relations / advocacy, early childhood development / education, organisation strategy and change management, management, and governance.

Committees: Executive, Finance and Risk and Governance



SUE WEST – VICE PRESIDENT

Appointed: 2015

Expertise: government relations / advocacy, early childhood development / education, and policy and research

Committees: Executive



ROSALYN CASEY – SECRETARY

Appointed: 2018

Expertise: marketing / PR, management, and governance

Committees: Executive and Governance



KRISHNAN RANGASWAMY – TREASURER

Appointed: 2013

Expertise: finance, management, governance, and risk management

Committees: Executive and Finance and Risk



LEE CATH

Appointed: 2012

Expertise: social work, humanitarian law, training/ program development/ volunteer management (community health sector)

Committees: Governance

Resigned: November 2020



STACEY FOX

Appointed: 2017

Expertise: early childhood development / education, governance, and policy and research

Committees: Finance and Risk



IAN SANDERS

Appointed: 2018

Expertise: organisation strategy and change management, management, and governance

Committees: Finance and Risk



TRACEY MCKAY

Appointed: 2018

Expertise: government relations / advocacy, early childhood development / education, organisation strategy and change management, management, and governance



SAMANTHA KOLASA

Re-appointed: November 2020

Expertise: early childhood development / education, organisation strategy and change management, human resources / culture and capability, management, and governance

Committees: Governance



AILEEN ASHFORD

Appointed: November 2020

Expertise: government relations/advocacy, early childhood development / education, organisation strategy and change management, human resources / culture and capability, management, governance, policy and research, fundraising / philanthropy.



GEORGIE CHAPMAN

Appointed: June 2020

Expertise: Legal / Industrial Relations

Committees: Governance

AUDITOR'S REPORT

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARISED FINANCIAL STATEMENTS TO THE MEMBERS OF EARLY LEARNING ASSOCIATION AUSTRALIA INC.

OPINION

The summary financial statements, which comprise the summary statement of financial position as at 30 June 2021 and the summary income and expenditure statement for the year then ended are derived from the audited financial report of Early Learning Association Australia Inc for the year ended 30 June 2021.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with (or a fair summary of) the audited financial report, on the basis described in Note 1 to the audited financial report of Early Learning Association Australia Inc for the year ended 30 June 2021.

SUMMARY FINANCIAL STATEMENTS

The summary financial statements does not contain all the disclosures required by the Australian Accounting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report and the auditor's report thereon.

The summary financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

THE AUDITED FINANCIAL REPORT AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial report in our report dated 1 October 2021.

That report also includes an emphasis of matter regarding the basis of accounting.

BOARD OF MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with (or are a fair summary of) the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements.



Nexia Melbourne Audit Pty Ltd
Melbourne



Geoff S. Parker Director

Dated: this 10th October 2021

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TREASURER'S REPORT

The 2020/21 financial year produced an overall net income profit result of just over \$123K.

Organisation revenue for the year totalled \$2.869M, a result better than target but down on total revenue received in 2019/20 (\$3.109M). Increases in membership and sponsorship revenue were offset by a reduction in grant revenue. Reductions in other sources of revenue typically included in ELAA's profit and loss statement were due to the impact of the COVID-19. For example, ELAA was unable to deliver a conference in 2020/21, with professional learning and consulting revenue also negatively impacted by the COVID-19. Reassuringly, receipt of cash flow and JobKeeper incentives totalling \$384K helped ELAA maintain a profitable outcome for 2020/21.

Expenses in 2020/21 totalled \$2.746M, comparing favourably to 2019/20 where total expenditure was \$2.871M. Staff and contractor expenditure increased in 2020/21 due to the implementation of ELAA's new organisation structure that will support delivery of the ELAA 2025 strategy. Over \$112K in expenses were also incurred investigating and mitigating potential risks attached to the practice of salary averaging for staff in dual roles across some Victorian kindergarten services. These expenses were a one off and will not be incurred ongoing, with a risk evaluation confirming no significant ongoing exposure for either ELAA or its members.

ELAA's net asset position as at 30 June 2021 is healthy at just above \$1M, meaning that ELAA remains a going concern and is well placed to face the challenges of the future linked to COVID-19. To ensure ELAA remains a financially sustainable organisation for the long term, a detailed sustainability and growth strategy will be developed in 2021/22 and implemented as the year progresses and thereafter.

In closing, I would like to acknowledge the efforts of the Finance and Risk Committee and Board of Management for their input and support of ELAA's financial governance processes during 2020/21. I look forward to continuing to mitigate ELAA's financial challenges and leveraging revenue growth opportunities with you in 2021/22 and beyond.

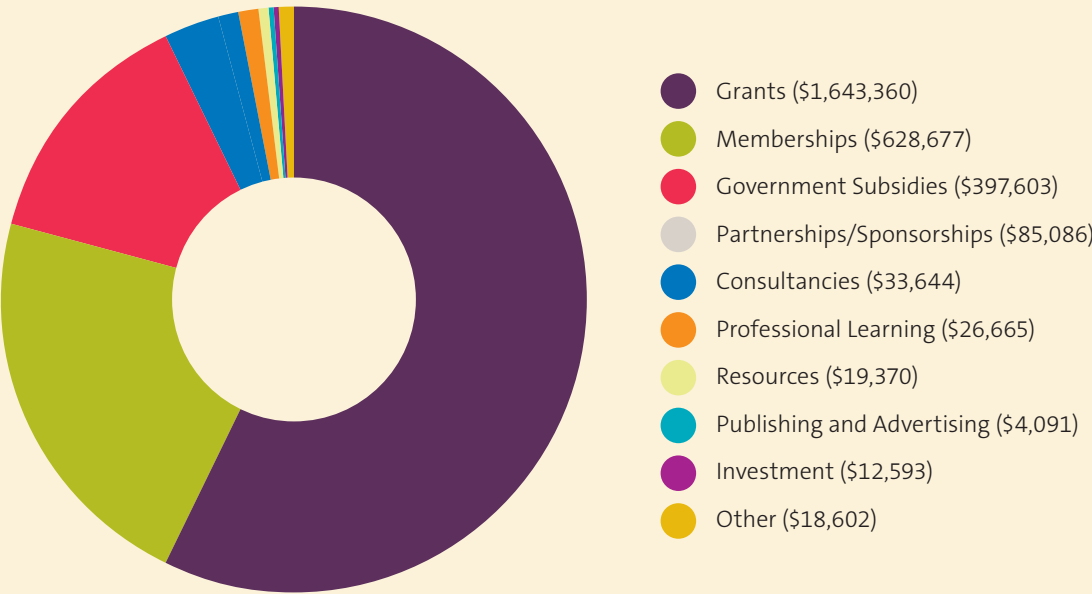


Krishnan Rangaswamy
Treasurer

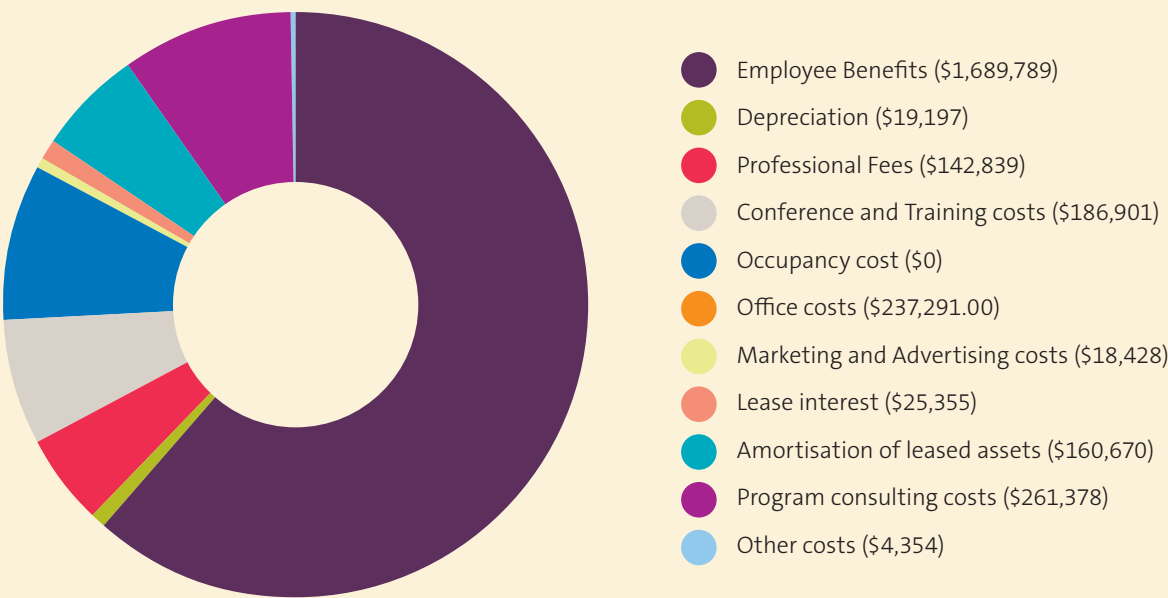


John Clifford (KPV board member), Carol Allen (Executive Director), Gavin Dowden (President), Gerard Mansour (HR) at the 1997 AGM in the Hawthorn Town Hall.

TOTAL INCOME 2021



TOTAL EXPENDITURE 2021



FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT for the year ended 30 June 2021

The Summarised Statement of Profit or Loss or other Comprehensive Income and the Statement of Financial Position are summarised from the audited financial statements. Complete copies of the audited financial statements are available on request.

	2021	2020
INCOME	\$	\$
Revenue from operating activities	2,869,694	3,109,430
EXPENDITURE		
Employee benefits expense	(1,689,789)	(1,453,178)
Depreciation and amortisation expense	(19,197)	(19,931)
Professional fees	(142,839)	(82,197)
Occupancy costs	-	(22,962)
Conference and training costs	(186,901)	(35,663)
Office expenses	(237,291)	(117,898)
Marketing and advertising costs	(18,428)	(37,448)
Lease interest	(25,355)	(32,205)
Amortisation of lease assets	(160,670)	(160,670)
Program consulting costs	(261,378)	(929,941)
Other expenses	(4,354)	(10,687)
Total expenses	(2,746,202)	(2,902,780)
Profit/(Loss) before income tax expense	123,492	206,650
Income tax expense	-	-
Profit/(Loss) after income tax expense	123,492	206,650

BALANCE SHEET as at 30 June 2021

	2021	2020
ASSETS	\$	\$
Current assets		
Cash and cash equivalents	2,142,901	2,108,233
Trade and other receivables	127,312	133,612
Inventories	10,154	10,154
Other assets	18,392	14,995
Total current assets	2,298,759	2,266,994
Non-current assets		
Property, plant and equipment	25,269	25,206
Right of use assets	294,929	455,599
Intangible assets	45,919	-
Total non-current assets	366,117	480,805
Total assets	2,664,876	2,747,799
LIABILITIES		
Current liabilities		
Trade and other payables	206,483	128,925
Lease liability	180,874	161,669
Employee benefits	220,922	179,557
Deferred income	810,601	1,021,962
Total current liabilities	1,418,880	1,492,113
Non-current liabilities		
Employee benefits	71,578	23,885
Lease liabilities	164,559	345,434
Total non-current liabilities	236,137	369,319
Total liabilities	1,655,017	1,861,432
Net assets	1,009,859	886,367
MEMBERS' FUNDS		
Retained surplus	1,009,859	886,367
Total members' funds	1,009,859	886,367

ELAA PREFERRED PARTNERS

ELAA would like to thank...



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