

Baringa

EARLY LEARNING CENTRE

2020

ANNUAL REPORT



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Acknowledgement

Baringa Early Learning Centre acknowledges the Traditional Owners of Country throughout Australia, on which we live and learn each day and help guide the young leaders of tomorrow. We recognise the Traditional Owners' continuing connection to lands, waters and communities. We pay our respect to Aboriginal and/or Torres Strait Islander peoples and cultures, and to Elders past, present and emerging.

Baringa Early Learning Centre

ABN 42 028 145 288 | T 02 6258 8891

64 Baddeley Crescent, Spence ACT 2615

admin@baringa.org.au | www.baringa.org.au

1. DIRECTOR'S REPORT

On behalf of the Baringa community, I would like to thank and acknowledge the 2020 volunteer Board of Directors who have contributed many hours of their expertise and care to Baringa. The Baringa Board continues to be made up of a mixture of parent members and community members that bring a wealth of knowledge to the Board for the betterment of the staff, families, and the Centre as a whole.

2020 Board

- Jolanta Moore, Chair
- John Mercer, Public Officer
- Hairul Lutfi, Finance Director
- Victoria Kane
- Sally Rice
- Sheena Ireland
- Christine White
- In July 2020 we welcomed Jillian Flinders on to the Board in a co-opted position.

We have recently held Board elections to fill two Board positions. I am pleased to announce the outcome of the elections. The two elected candidates are Jillian Flinders and Kate Moskal who have been appointed to the Board for the next three years. Congratulations Jill and Kate. I would also like to thank Shaynee Dennis for nominating for the Board.

I would like to formally acknowledge and thank Victoria Kane who is stepping off the Board at this AGM. Victoria joined the Board in May 2018 when the Centre was going through a period of immense change. She has brought a wealth of knowledge and passion to the Board. Thank you, Victoria.

It has been a turbulent year and I would like to acknowledge Centre Management team of PJ Aguilar - Executive Officer, Betty Lam – Centre Director and Carley Adams – Educational Leader and the staff for their hard work throughout the year. I think the biggest testament to the work you all do is that many, if not most of our children, may not even know there is a global pandemic happening around us. The love, care and support you show the children is constant and on behalf of the Board, and as a parent, I thank you!

I would like to take this opportunity to share some highlights from the last year. I am pleased to share the significant amount of work towards governance and the strategic direction of Baringa. Highlights include:

- The Centre's effective response to COVID-19. The Centre and everyone in the Baringa community responded exceptionally when the environment for everyone changed overnight. This included:
 - Developing a COVID-19 Action Plan that was continuously updated based on new information and the changing situation
 - Continuous communication for families to understand the evolving situation

- Steady business management and financial stability, through uncertain times, including the free childcare period from April to July. We are thankful for JobKeeper and Business Continuity Payments during this period.
- Supporting families and staff through uncertain times
- Developing the Child Connect online platform to engage with children while they are at home
- A huge thank you to the Centre Management team who made all of this to happen.
- The Bushfires presented challenges, from the impacts of the smoke to the emotional toll on so many in our community. Baringa showed extensive support for the community and children and adapted to ensure the safety of all.
- The work on our Reconciliation Action Plan (RAP) and associated activities is also a great highlight as we as a community, and the country, works to support reconciliation and inclusion.
- A new Constitution was passed by members at a Special General Meeting in March. Thank you to Anne from Synapse Legal who was engaged to develop the constitution. The previous constitution was passed in August 2018, since then the Board has moved its focus on governance and strategic advice, with Centre Management leading operations.
- The Board was thankful to receive an Australian Government Volunteer Grant (endorsed by Dr Andrew Leigh, Member for Fenner), put towards a governance training workshop run by Geoff Carter from Strategic Governance Group for the Board and Centre Management team.
- We recently held a follow up Strategic Direction workshop facilitated by Barbara Livesey. In this workshop we looked to set Baringa's vision, mission, and the strategic priority pillars. Further work will be completed on this in early 2021 before we present our new strategic plan to families, staff, and the community. Part of this includes how we continue to support children, staff, and families, with a particular focus on mental health.

In closing, on behalf of the Board I would like to thank our families for continuing to support Baringa in this challenging year, the staff for their unwavering commitment to the children, the Centre Management for the tireless work in making Baringa the best Centre it can be and finally, thank you to the Board for your leadership and the time that you volunteer. Baringa is in a great position and there is so much to look forward to in 2021.

Jolanta Moore
Chair
Baringa Board



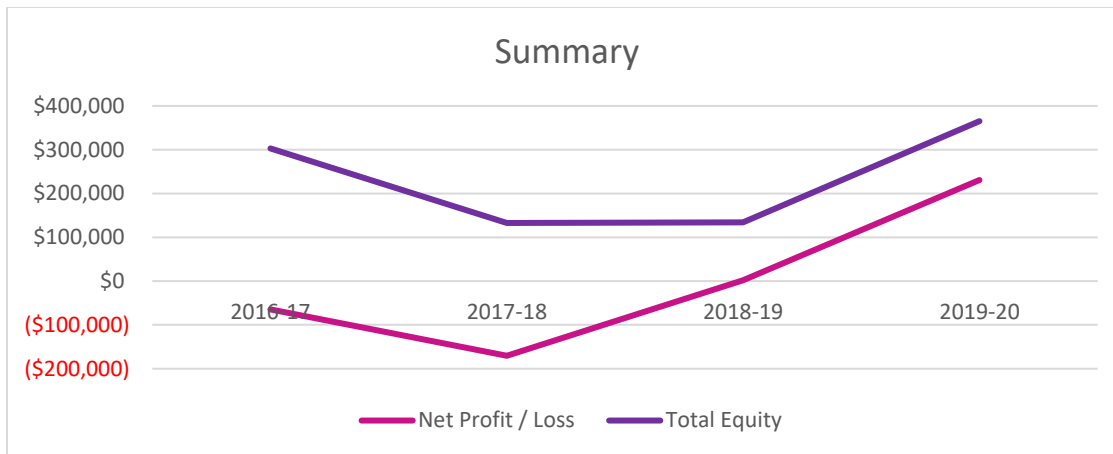
2. FINANCE DIRECTOR'S REPORT

As Finance Director, I want to formally present the 2019-20 financial statements ([See Appendix](#)).

I would like to acknowledge the significant increase in net profit and total equity achieved in 2019-20 as outlined by independent auditors, Vincents Assurance and Risk Advisory:

- The association achieved an overall operating surplus for the year totalling \$230,876, as compared to a total operating surplus for the 2019 year of \$1,589.
- The current year result represents an overall result increase of \$229,287.
- Total income for the year of \$2,808,450 represented a 4.85% increase as compared to the 2019 year of \$2,678,586.
- Total expenditure for the year of \$2,577,574 represented a 3.87% decrease as compared to the 2019 year total of \$2,677,267.

The overall 2020 surplus illustrates a significant increase as compared to the 2019 year. The positive financial performance and financial position now ensures the future viability of Baringa. This is an incredible achievement to follow several years of financial challenges. A summary is below.



Year	Net Position	Total Equity
2016-17	loss -\$64,272	\$303,242
2017-18	loss -\$170,500	\$132,742
2018-19	profit +\$1,589	\$134,331
2019-20	profit +\$230,876	\$365,207

I would like to acknowledge the hard work of Centre Management, PJ Aguilar (Executive Officer) and Betty Lam (Centre Director), with the assistance of the Baringa Board over the last two years in bringing Baringa to this position. In particular their leadership assisted Baringa to navigate through the financial impacts caused by the COVID19 pandemic, including economic uncertainty, government restrictions in preventing the centre from charging fees, while maintaining confidence with staff and families during the period of uncertainty.

Despite the financial challenges, the total revenue for 2019-20 was \$2,808,450, a 4.85% increase from the previous financial year (\$2,678,856). Of this revenue:

- \$14,965 was income from parent contributions to the Centre Improvement Fund and Emergency Fund.
- \$30,069 was income from grants received through competitive application rounds with the ACT Government and Australian Government. The majority of which was invested in the outdoor education and play space revamp and a small proportion towards volunteer training and governance.

There has also been an increase of families opting for the discounted upfront payment option which has assisted in cashflow management.

On behalf of the Board, I would like to thank the support of families, especially through the COVID19 pandemic. As a reflection of this period, the Board has undertaken the annual review of fees and have decided to defer the increase of fees until July 2021 to provide reprieve for families.

The Board looks forward to continuing to work with Centre Management to further strengthen the financial viability of Baringa to enable quality early learning outcomes for children, families, staff and the broader community.

Hairul Lutfi
Finance Director
Baringa Board



3. CENTRE MANAGEMENT'S REPORT

In 2020, across all our rooms – Melaleuca, Hakea, Acacia, Banksia, Grevillea and Hibiscus – our children continued to be provided a safe and stimulating environment, to develop secure relationships at a young age.

At Baringa, everything we do is guided by what is in the best interest of our children. This shapes our education program, based on the Belonging, Being, Becoming - Early Years Learning Framework. We acknowledge and care for children's emotional needs, which influence positive behaviours and a curiosity for learning and developing life skills.

The ideas and inspiration from Baringa educators never cease to amaze us. This year, our curriculum embedded Aboriginal and Torres Strait Islander cultural perspectives, sustainable practices and creating healthy habits at an early age. We encouraged exploration through nature play and supervised risky play.

When COVID19 arrived we shared the uncertainty felt by the community. At a time when the early childhood education and care sector was tested, we were overwhelmed by kindness from families. In turn, we committed to provide support in whichever way best suits, in whatever environment we happened to find ourselves in. Our educators maintained a sense of normality. We brought our education program online to make sure children stayed connected whether attending Baringa or staying home temporarily.

At the launch of our first Reconciliation Action Plan (RAP), our children were Welcomed to Country by Ngunnawal Elder, Violet Sheridan. She thanked educators for learning and sharing Aboriginal and Torres Strait Islander cultures. Her hope is by the time our children become adults; they would live in a world without racism. We hold our children's hands and hearts and pave a way for this future.

We were visited by six political leaders, including the Chief Minister, Mr Andrew Barr and Minister for Education and Early Childhood Development, Ms Yvette Berry. While Baringa is apolitical, we welcome the opportunity to bring attention to early childhood education and advocate for the professional recognition of educators. It was a delight to see the budding journalists amongst our children with their questions for the visitors!



On Early Childhood Educators Day, we celebrated each educator's uniqueness within the Baringa Family. We are fortunate to have a dedicated and passionate team, echoed by the kind words of gratitude from families and children. Through their encouragement, we closed the centre for the first time for a Professional Development Day in October. By investing in ourselves we are better able to support our children.

Our Baringa Team loves learning and a culture which enables further study, mentoring and building on our individual strengths. We have a dedicated Leadership Team, four Early Childhood Teachers and educators with Diploma and Certificate level qualifications.

As we come to the end of the year, we reflect on how much our Baringa children bring us joy. We thank them for allowing us to learn as much from them as they do from us. We are grateful to our amazing families for trusting us and making Baringa their home. We thank the Board for their many long, voluntary hours behind the scenes, supporting us and making sure Baringa's future is bright.

And finally, to our educators and staff – your openness, dedication and fun attitude is what makes us the Baringa Family. Thank you for being you.

With gratitude,

PJ Aguilar
Executive Officer

Betty Lam
Centre Director

Carley Adams
Educational Leader



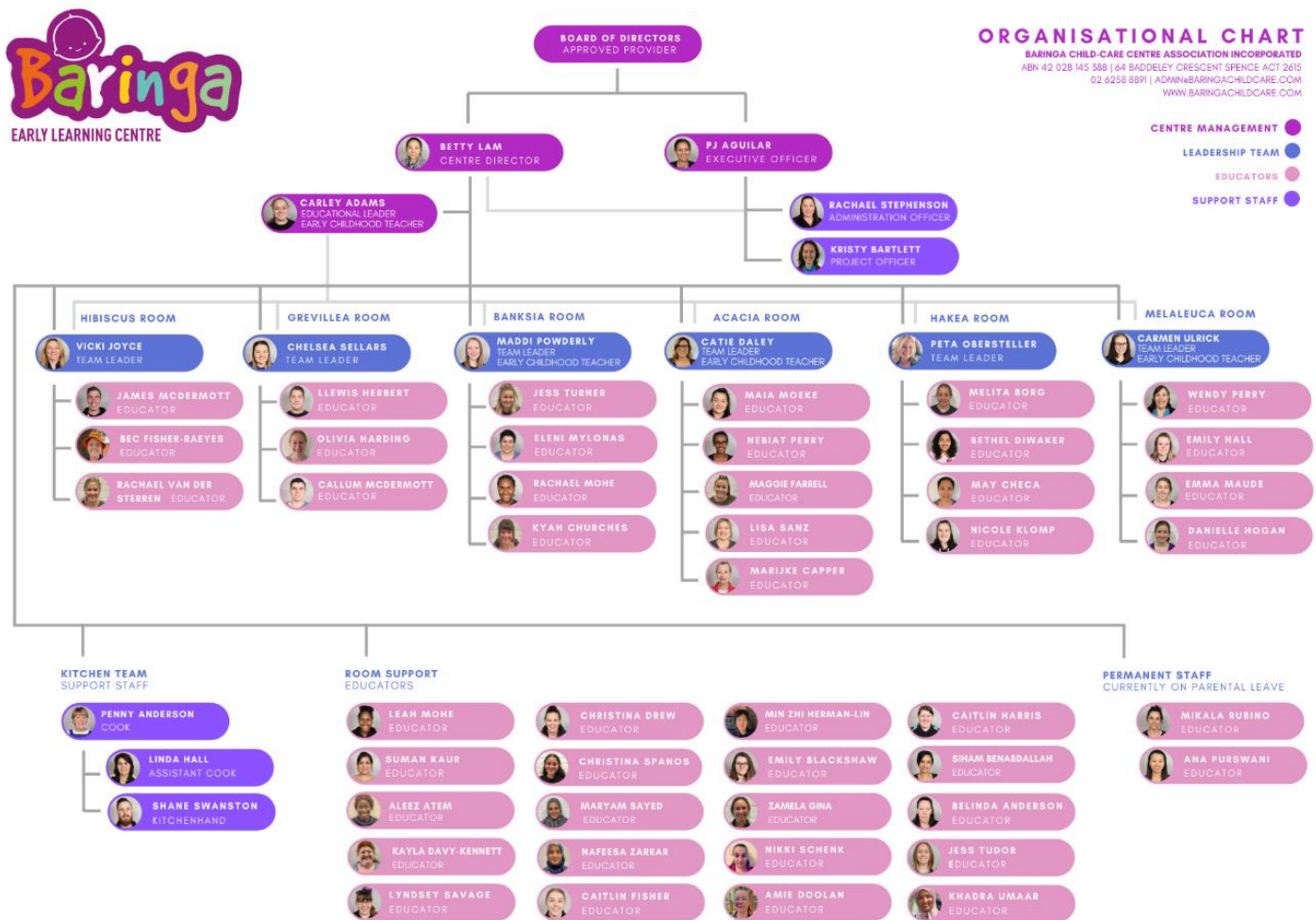
4. BARINGA STAFF

4.1 Organisational Chart

Baringa has 56 staff. We provide flexible working arrangements, including four-day weeks for full-time staff. Many of our educators work part-time while completing further study and to balance their own family commitments.

We are a friendly, diverse team with a focus on family and community engagement. Our permanent staff receive 10% above award wages and income protection, professional development, study support, programming times and additional leave during the end of year shutdown. We provide orientation, training and mentoring for all staff.

As members of the Baringa Association, staff are valued and integral to the centre's Exceeding Rating against the National Quality Standards.



AS OF 1 NOVEMBER 2020
 SUBJECT TO CHANGE

4.2 Acknowledgements

We would like to make special mention of the following members of the Baringa Family. We thank them for their dedication to early childhood education and generously sharing their knowledge and experience with us.

- Vicki Joyce, Team Leader, Hibiscus Room for 24 years of service
- Wendy Perry, Educator, Melaleuca Room for 21 years of service
- Penny Anderson, Centre Cook for 18 years of service

We would also like to acknowledge Marijke Capper, Educator, Acacia Room who will be retiring. Marijke has been with Baringa for almost 12 years, we miss you already – please visit us soon!

This year has been a productive year regarding our team's professional development. We are proud to have:

- Six staff currently working towards their Bachelor of Early Childhood Education and Care
- One staff with an Advanced Diploma in Early Childhood Education and Care
- Ten staff with a Diploma in Early Childhood Education and Care (and a further 6 staff currently working towards the qualification)
- 23 staff with a Certificate III in Early Childhood Education and Care (and a further 10 staff currently working towards the qualification).

Furthermore, staff trained in COVID19 Infection Control, Food Safety Supervision, Senior First Aid, Anaphylaxis and Allergies training, Aboriginal and Torres Strait Islander cultural training, communication, governance and leadership training. We have individual staff completing and studying qualifications including Medical Science, Nursing, Sustainable Living and Aged Care.



5. QUALITY IMPROVEMENT PLAN 2020 ACHIEVEMENTS

The Quality Improvement Plan 2020 was developed based on consultations with children, parents and educators. The plan was comprised of five priorities for 2020, and the achievements against these priorities are outlined in the following pages.

1. Educational Program

Goal: Having better ways of informing families the program for their children such as apps or engaging visual displays. Finding positive approaches in engaging the program with educators on a daily basis. A program that supports life skills for children.

2. Positive Work Environment

Goal: To ensure all staff are aware of their roles and responsibilities. To cultivate a positive and supportive workplace and be an employer of choice for Early Childhood Educators.

3. Outdoor Space Revamp

Goal: To provide an environment that supports children's growth and learning. Allowing an outdoor space to support intentional learning with open ended resources and more natural environment to sustain.

4. Sustainability Action

Goal: To embed the practice of sustainability within the children's program, daily routines and the educators' practice. To engage with families with their interest in order to provide a holistic approach to the centre and the community.

5. Reconciliation Action Plan

Goal: A purposeful and respectful Reconciliation Action Plan (RAP) for Baringa children, educators and community to appreciate Country, creativity and caring values from Aboriginal and Torres Strait Islander cultures.



5.1 Educational Program

Goal: Having better ways of informing families the program for their children such as apps or engaging visual displays. Finding positive approaches in engaging the program with educators on a daily basis. A program that supports life skills for children.

Outcomes:

- The education program of each room continues to focus on children's interests as aligned with the Belonging, Being, Becoming - Early Years Learning Framework. These are visible in the rooms and online.
- Indoor environments were refreshed for each education program to provide an interactive, conducive learning space and showcase the children's journeys for families.
- Our Educational Leader and Team Leaders regularly reflected, researched and sourced education resources, furniture and support materials, while maintaining sustainable practices.
- We received the largest intake to date in February 2020, with 20 new families as well as siblings of current families. Additional families were supported during and after the bushfire crisis and COVID19 lockdown. There continues to be a growing interest with centre tours and an increasing waiting list.
- The Storypark app was launched at the start of the year, providing responsive and accessible communication between educators and families on the education program, observations, individual summative assessments and community notices.
- Child Connect was launched by our Early Childhood Teachers, making early childhood education more accessible in the community.
- Positive family feedback was received throughout the year, particularly throughout the COVID19 lockdown and annual survey. These have been used to inform the 2021 Quality Improvement Plan.
- Communication with families was a key focus, through face-to-face, phone, email; as well as via family newsletters and facebook page. A private staff facebook group was also launched.
- Centre-wide education programming for Earth Day (April), Simultaneous Storytime (May), Camping Day in honour of Reconciliation (June), Smoking Ceremony to launch the Reconciliation Action Plan (July), Science Week (August), Grandparents Day (September) and NAIDOC celebrations (November).
- Hibiscus Room Preschool Vacation Care Program in January, April, July and October, including themes of Fresh Food, Space, Safari, Around the World, Mindfulness, Canberra and more.
- Incursions included from Canberra Reptile Zoo, Narelle Hutching Aboriginal Artist, Larry Brandy Aboriginal Storyteller, Wiradjuri Echoes and local walking excursions. Melaleuca had an excursion to the National Botanic Gardens. Acacia and Melaleuca incorporated Auslan key word sign in their programs.

5.2 Positive Work Environment

Goal: To ensure all staff are aware of their roles and responsibilities. To cultivate a positive and supportive workplace and be an employer of choice for Early Childhood Educators

Outcomes:

- Early Childhood Educators Day was celebrated with awards for all educators and staff and acknowledgements from families; Rotary Vocational Excellence Award was awarded to Centre Director, Betty Lam; and United Voice Scholarship was awarded to Melaleuca Team Leader, Carmen Ulrick to attend the Aboriginal STEM Summit.
- Recruitment processes and orientation training continued to be improved and embedded for all new staff.
- Permanent staff continue to receive 10% above award wages and income protection, professional development, study support, scheduled programming times and additional leave during the end of year shutdown. Centre Management and Team Leaders participated in planning days and coaching.
- Flexible working arrangements are provided which encouraged the uptake of formal study and furthering qualifications. Strengthened partnership with CIT as training provider for Baringa-hosted apprentices.
- Study Leave was introduced for Early Childhood Teachers and continued support for Certificate III and Diploma placements for Baringa staff. Work experience placements were provided for Australian School Based Apprenticeships (Hawker College, Melba High School), and placements for private RTO students
- Staff Meetings and online methods provided professional development including training in COVID19 Infection Control, Food Safety Supervision, Senior First Aid, Anaphylaxis and Allergies training, Aboriginal and Torres Strait Islander cultural training, communication, governance and leadership training.
- Staff also participated in an all-day Professional Development Training on communications, held for the first time during business hours with the centre closed.
- Chief Minister Mr Andrew Barr, with Minister for Education and Early Childhood Development, Ms Yvette Berry held their press conference on site for announcement of universal access to three year old preschool.
- A further four political leaders visited Baringa, including Federal Member for Fenner, Dr Andrew Leigh, Minister for Climate Change and Sustainability, Mr Shane Rattenbury, Minister for Aboriginal and Torres Strait Islander Affairs, Ms Rachel Stephen-Smith and the then Minister for Community Services and Facilities, Ms Suzanne Orr.
- Baringa became an organisation member of Early Childhood Australia to become involved in advocacy for the sector. Centre Management and Team Leaders engaged with, and visited other centres for networking and information sharing.

5.3 Outdoor Space Revamp

Goal: To provide an environment that supports children's growth and learning. Allowing an outdoor space to support intentional learning with open ended resources and more natural environment to sustain.

Outcomes:

- The Outdoor Space Revamp was made possible by successful funding from ACT Government competitive grants, private grants and family contributions to the Centre Improvement Fund. This included landscaping, obtaining natural resources and construction.
- Funding included:
 - Stronger Communities Grant for the installation of a double slide, tyre steps, artificial turf, log wall fencing and upgrades to the mud kitchen.
 - Nature Play Grant for the outdoor yarning circle with natural logs and firepit, as well as professional development for educators and staff and balance beam obstacle course.
 - Cultural Grant for commissioned Aboriginal artwork for Bush Tucker Garden, as well as an official Smoking Ceremony for the Bush Tucker Garden and Reconciliation Action Plan Launch
 - Community Gardens Grant and Woolworths Junior Land Care Grant for the construction and plants in the Bush Tucker Garden.
- There has been a focus on natural outdoor play resources, with educators getting ideas from others in the early childhood education and care centres.
- A staff Outdoor Committee has been established to continue to build on this work and provide leadership for further improvements, maintenance, regulatory compliance and deepen connections between the outdoor education and play space and the broader education program across all the rooms.



5.4 Sustainability Action

Goal: To embed the practice of sustainability within the children's program, daily routines and the educators' practice. To engage with families with their interest in order to provide a holistic approach to the centre and the community.

Outcomes:

- The preschool courtyard garden was in full production, providing children with hands-on educational experience in growing produce, including delicious native bush strawberries.
- Earth Day was celebrated across all the rooms, caring for our Bush Tucker Garden, making green play dough to represent the land, collected sticks, leaves and bark and discussed different ways we can help to look after the earth we live on.
- Baringa joined the ACT Government's Container Recycling Scheme. Families have been supportive with 250 container donations in the first six weeks.
- A composting program was introduced helping us reduce food waste and an educational experience for the children.
- Laminated paper was identified as an unsustainable activity that contributes to landfill and is being phased out.
- ACT Smart was engaged for the purposes of gaining ACT Government Business Recycling Accreditation. Recycling has been made more accessible and further training will be provided to staff in early 2021.
- Our partnership with the Green Shed continues, obtaining recycled resources and furniture for our rooms. Bunnings Belconnen also donated towards our composting program.



5.5 Reconciliation Action Plan

Goal: A purposeful and respectful Reconciliation Action Plan (RAP) for Baringa children, educators and community to appreciate Country, creativity and caring values from Aboriginal and Torres Strait Islander cultures

Outcomes:

- Aboriginal and Torres Strait Islander perspectives have been embedded in educational programming in all rooms. This includes a daily Acknowledgement of Country and extension of education focus to incorporate cultural education.
- A Bush Tucker Garden was constructed and plants sourced, thanks to Wiradjuri man, Adam Shipp of Yurbay. Local Aboriginal artist, Narelle Hutchings provided commissioned artwork for the garden, with Grevillea children participating in an incursion about the Turtle Dreamtime Story.
- A Smoking Ceremony for the Bush Tucker Garden was held in July, with a Welcome to Country by Ngunawal Elder Violet Sheridan and ceremony by Wiradjuri Echoes' Duncan and Jakida Smith. Baringa's Reconciliation Action Plan was launched during this event and children participated in a cultural music and dance workshop.
- Camping Day in honour of Reconciliation was held in June. Children focused on nature-play, experiencing campfire, making damper, roasting marshmallows, charcoal drawings, hand drawings and leaf tracing.
- Ngunawal Elder, Don Bell's books have been added to the collection. Incursions were held by Larry Brandy, Aboriginal Storyteller, Wiradjuri Echoes' Duncan and Jakida Smith and artist, Narelle Hutchings.
- Adam Shipp also constructed an outdoor Yarning Circle and fire-pit, as well as hosting a professional development cultural evening for Baringa staff.
- The Aboriginal, Torres Strait Islander and Australian flags were donated by Member for Fenner, Dr Andrew Leigh and proudly displayed in the main entrance.
- United Voice Scholarship was awarded to Melaleuca Team Leader, Carmen Ulrick to attend the Aboriginal STEM Summit. Herself and Educational Leader, Carley Adams also attended the Koori Curriculum Aboriginal Planning Day.
- Baringa continues to focus not just on education but also supporting local Aboriginal and Torres Strait Islander businesses. Having market tested cleaning supply companies, Baringa has engaged Chemworks as the new supplier, a registered provider for Supply Nation.
- Thank you to the RAP Working Group, PJ Aguilar, Carley Adams, Carmen Ulrick, John Mercer, Sally Rice and Kerrie Hogan.

A photograph of a person's hands writing in a notebook with a red pen. In the background, a laptop and a tablet are visible on a desk. The image is overlaid with a large red geometric shape that forms a diagonal line across the page.

Baringa Child-Care Centre Association Incorporated

Audit Completion Package

30 June 2020

10 September 2020

The President/Chairperson
Baringa Child-Care Centre Association Incorporated
64 Baddeley Crescent
Spence ACT 2615

Dear Sir/Madam,

Re: Baringa Child-Care Centre Association Incorporated

We have completed our audit for the above in respect of the year ended 30 June 2020 and enclose the following:

- Management letter with our detailed findings for the year under review
- Independence letter outlining to the governing body that we have been independent of the entity
- 2020 Financial Report
- Re-appointment letter
- Invoice for services rendered

Please arrange for the directors to sign the representation letter and financial report where marked and return a copy to us for signature by the auditor. We will then return a fully signed copy of the financial report for your records.

We would like to take this opportunity to thank you for the assistance offered to us during the course of our audit. Should you require any further information on the above matters please do not hesitate to contact our office.

Yours sincerely

Phillip Miller

A handwritten signature in black ink, appearing to read "Phillip Miller".

**Director
Vincent's Assurance and Risk Advisory**

canberra. adelaide. brisbane. gold coast. melbourne. sydney. sunshine coast.

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21 October 2020

The President
Baringa Child-Care Centre Association Incorporation
64 Baddeley Crescent
Spence ACT 2615

Dear Sir / Madam,

Re: 2020 Audit Management Letter

We have completed the audit of Baringa Child-Care Centre Association Incorporation for the year ended 30 June 2020. During the course of our audit work, the following matter came to our attention upon which we would like to comment:

1) Operating result for the year

The association achieved an overall operating surplus for the year totalling \$230,876, as compared to a total operating surplus for the 2019 year of \$1,589. The current year result represents an overall result increase of \$229,287.

Total income for the year of \$2,808,450 represented a 4.85% increase as compared to the 2019 year of \$2,678,586.

Total expenditure for the year of \$2,577,574 represented a 3.87% decrease as compared to the 2019 year total of \$2,677,267.

The overall 2020 surplus illustrates a significant increase as compared to the 2019 year.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements of the association, and may therefore not bring to light all the errors or weaknesses that may exist in terms of internal controls, procedures and systems. It is the board's/committee's responsibility to maintain an adequate system of internal control as the principle safeguard against irregularities which an audit examination may not disclose.

We would like to thank you and your staff for your assistance and co-operation while conducting our work.

Should you require any further assistance, please do not hesitate to contact our office.

Yours faithfully,

Vincent's Audit Pty Ltd



**Phillip W Miller CA
Director**

canberra. adelaide. brisbane. gold coast. melbourne. sydney

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10 September 2020

The President/Chairperson
Baringa Child-Care Centre Association Incorporated
64 Baddeley Crescent
Spence ACT 2615

Dear Sir/Madam,

Independence Discussions

We confirm that during the audit of the financial report of Baringa Child-Care Centre Association Incorporated for the year ended 30 June 2020, we have maintained our independence in accordance with the requirements of Professional Statement APES 110.

In the spirit of this confirmation, we have prepared the following comments to facilitate discussion and enable you to have a clear understanding of the issue.

Other Services

We have not carried out any other engagements for Baringa Child-Care Centre Association Incorporated that would impair our firm's professional independence as auditor.

Any services provided are subject to our own and the profession's strict rules and policies regarding auditor independence. We enforce these rules and policies in order to maintain objectivity and to be free of interest when discharging our professional responsibilities.

Our appointment as service provider for these engagements has been subject to Baringa Child-Care Centre Association Incorporated's corporate governance procedures encompassing the selection of service providers and the setting of their remuneration.

Some of the safeguards we follow with regard to auditor independence in relation to the provision of these services include ensuring:

- The services have not involved partners or staff acting in a managerial or decision-making capacity, or being involved in the processing or originating of transactions;
- The services have only been provided where we are satisfied that the related function or process will not have a material bearing on our planned audit procedures and would not involve us auditing our own work;
- The partners and staff involved in the provision of non-auditing services have not participated in Baringa Child-Care Centre Association Incorporated's associated or authorisation processes.

Based on the above safeguards, we are satisfied that the provision of other services has not in any way compromised our independence as external auditor of Baringa Child-Care Centre Association Incorporated.

Financial Interests

As your auditor, direct and material indirect investments in any shares of Baringa Child-Care Centre Association Incorporated are prohibited to us. In summary this prohibition extends to:

canberra. adelaide. brisbane. gold coast. melbourne. sydney. sunshine coast.

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- All partners and professional staff; and
- The families of these partners and professional staff; and
- The firm's partner and staff superannuation funds.

We seek annual confirmation from partners and staff that they have complied with this requirement. Based on the results of this process, we are not aware of any instances where partners or staff are not in compliance with this requirement in relation to this engagement.

Other Relationships

We are not aware of any situations where a spouse or close relative of a partner or staff members involved in the audit occupies a position as a director or executive at Baringa Child-Care Centre Association Incorporated that is significant to the audit.

We are not aware of any situations where a partner or staff member has accepted a position of employment with Baringa Child-Care Centre Association Incorporated in a senior executive or managerial capacity during or since the end of the financial year.

This report is intended solely for Baringa Child-Care Centre Association Incorporated and should not be used for any other purpose.

Should you require any further assistance, please do not hesitate to contact our office.

Yours sincerely
Phillip Miller

Director
Vincent's Assurance and Risk Advisory

Baringa Child Care Centre Association Incorporated
ABN 42 028 145 288

Financial Statements

For the Year Ended 30 June 2020

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

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For the Year Ended 30 June 2020

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Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Committee's Report For the Year Ended 30 June 2020

The Committee presents their report on Baringa Child Care Centre Association Incorporated for the financial year ended 30 June 2020.

Directors

The names of the committee members at the date of this report are:

Names	Position	Commenced
Jolanta Moore	Chairperson	29 May 2018
Hairul Lutfi	Finance Director	23 July 2019
John Mercer	Public Officer	25 Nov 2018
Victoria Kane	Board Member	29 May 2018
Sally Rice	Board Member	25 Nov 2018
Sheena Ireland	Board Member	25 Nov 2018
Christine White	Board Member	25 Nov 2018
Jillian Flinders	Board Member	28 July 2020

Principal activities

The principal activities of the Association during the financial year were to provide non-profit childcare services to public.

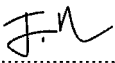
Significant changes


No significant change in the nature of these activities occurred during the year.

Operating result

The surplus of the Association for the financial year amounted to \$ 230,876 (2019:1,589).

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 

Committee member: 

Dated this 22..... day of October..... 2020

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Baringa Child Care Centre Association Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Vincent's Audit Pty Ltd



Phillip W Miller CA
Director

Canberra, 30 October 2020

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	5	2,808,450	2,678,856
Employee benefits expense		(2,047,992)	(2,153,046)
Depreciation and amortisation expense		(147,842)	(41,233)
Other expenses		(372,344)	(482,988)
Lease finance expenses		(9,396)	-
Profit before income tax		230,876	1,589
Income tax expense		-	-
Profit for the year		230,876	1,589
Other comprehensive income for the year		-	-
Total comprehensive income for the year		230,876	1,589

The accompanying notes form part of these financial statements.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	370,395	205,129
Trade and other receivables	8	3,027	69,464
Other assets	9	122,917	3,273
TOTAL CURRENT ASSETS		496,339	277,866
NON-CURRENT ASSETS			
Property, plant and equipment	10	137,999	166,382
Right-of-use asset	14	122,692	-
TOTAL NON-CURRENT ASSETS		260,691	166,382
TOTAL ASSETS		757,030	444,248
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	114,220	173,786
Employee benefits	12	131,015	111,343
Other financial liabilities	13	17,018	24,788
Lease liability	14	119,094	-
TOTAL CURRENT LIABILITIES		381,347	309,917
NON-CURRENT LIABILITIES			
Lease Liability	14	10,476	-
TOTAL NON-CURRENT LIABILITIES		10,476	-
TOTAL LIABILITIES		391,823	309,917
NET ASSETS		365,207	134,331
EQUITY			
Retained earnings		365,207	134,331
TOTAL EQUITY		365,207	134,331

The accompanying notes form part of these financial statements.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2019	134,331	134,331
Profit for the year	230,876	230,876
Balance at 30 June 2020	365,207	365,207

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	132,742	132,742
Profit for the year	1,589	1,589
Balance at 30 June 2019	134,331	134,331

The accompanying notes form part of these financial statements.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,913,861	2,837,286
Payments to suppliers and employees	(2,733,108)	(2,762,579)
Interest received	114	441
Lease finance cost	(9,396)	-
Net cash provided by/(used in) operating activities	<u>171,471</u>	<u>75,148</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(6,205)	(3,872)
Net cash provided by/(used in) investing activities	<u>(6,205)</u>	<u>(3,872)</u>
Net increase/(decrease) in cash and cash equivalents held	165,266	71,276
Cash and cash equivalents at beginning of year	205,129	133,853
Cash and cash equivalents at end of financial year	7 <u><u>370,395</u></u>	<u><u>205,129</u></u>

The accompanying notes form part of these financial statements.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

The financial report covers Baringa Child Care Centre Association Incorporated as an individual entity. Baringa Child Care Centre Association Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Baringa Child Care Centre Association Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 New Accounting Standards and Interpretations Adopted

Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current year with a date of initial application of 1 July 2019.

The Association has applied AASB 15 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 118 and related interpretations and all adjustments on adoption of AASB 15 need to be taken to retained earnings at 1 July 2019. There was no impact to retained earnings on adoption of AASB 15 at 1 July 2019.

Income for Not-for-Profit Entities - Adoption of AASB 1058

The Association has adopted AASB 1058 Income of Not-for-Profit Entities for the first time in the current year with a date of initial application of 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118.

Impact of Adopting the new revenue Standards AASB 15 and AASB 1058

The Association has assessed the impact of adopting the new revenue standards and it was determined that the adoption of these new standards had no significant impact on the Association's current revenue streams. The new policies adopted by the Association are set out in Note 3c.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements

For the Year Ended 30 June 2020

2 New Accounting Standards and Interpretations Adopted

Leases - Adoption of AASB 16

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets)

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short term leases and leases of low value assets).

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss and other comprehensive income on a straight line basis.

The Association has recognised right-of-use assets of \$235,947 and lease liability of \$235,947 as at 1 July 2019, for leases previously classified as operating leases

3 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

For comparative year:

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

For current year

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(b) Leases

- the contract involves the use of an identifies asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset
- the Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use
- the Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purposes the asset is used

(c) Revenue and other income

Revenue and other income

The core principal 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 Association expects to received 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 transactions price
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligation is transferred

None of the revenue streams of the Association have any significant financing terms as there is no significant time lag between receipt of funds and satisfaction of performance obligations.

Grant revenue

Grant contracts where there is an enforceable contract with a customer with sufficiently specific performance obligations, such transactions are accounted for under AASB15, where by income is recognised as and when the performance obligations are satisfied.

Grant contracts that are not enforceable or where the performance obligations are not sufficiently specific, are accounted for under AASB 1058 - where by income is recognised immediately on receipt.

Interest revenue

Interest revenue is recognised using the effective interest method.

Other income

Other income is recognised on an accruals basis when the association if entitled to it. 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 Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

(d) 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).

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(d) Goods and services tax (GST)

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) 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.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	5%-33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held).

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables.

(g) 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.

(h) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(h) **Employee benefits**

the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5 Revenue and Other Income

	2020	2019
	\$	\$
Child care fees		
- Fees	1,977,488	2,643,325
Total fees	1,977,488	2,643,325
Other Income		
- Business continuity payments	330,419	-
- Jobkeeper payments	358,500	-
- Covid-19 cashboost stimulus	62,500	-
- Rent relief	29,406	-
- Other income	17,354	8,932
- Interest income	114	441
- Grants	32,669	26,158
Total other income	830,962	35,531

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

6 Result for the Year

The result for the year includes the following specific expenses:

Other expenses:

Employee benefits expense	2,047,992	2,153,046
Depreciation and amortisation expense	147,843	41,233
Bad debts	(8,440)	23,861

7 Cash and Cash Equivalents

Cash at bank and in hand	370,395	205,129
	370,395	205,129

8 Trade and Other Receivables

CURRENT

Trade receivables	33,400	151,255
Provision for impairment	(31,961)	(81,791)
GST receivable	1,588	-
	3,027	69,464

9 Other Assets

CURRENT

Prepayments	2,917	3,273
Accrued income	120,000	-
	122,917	3,273

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

10 Property, plant and equipment

	2020	2019
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	401,031	394,826
Accumulated depreciation	(263,032)	(228,444)
Total property, plant and equipment	137,999	166,382

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Childcare equipment	Total
	\$	\$
Year ended 30 June 2020		
Balance at the beginning of year	166,381	166,381
Additions	6,206	6,206
Depreciation expense	(34,588)	(34,588)
Balance at the end of the year	137,999	137,999

11 Trade and Other Payables

	2020	2019
	\$	\$
Current		
Trade payables	32,940	108,031
Sundry payables and accrued expenses	77,010	51,468
Other payables	4,270	14,287
	114,220	173,786

12 Employee Benefits

Current liabilities		
Long service leave	9,410	11,085
Provision for employee benefits	121,605	100,258
	131,015	111,343

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements For the Year Ended 30 June 2020

13 Other Financial Liabilities

	2020	2019
	\$	\$
CURRENT		
Amounts received in advance	17,018	24,788
Total	17,018	24,788

14 Leases

Right-of-use assets

	2020	2019
	\$	\$
Balance at beginning of year	-	-
Change due to adoption of AASB16	235,947	-
Depreciation charge	(113,254)	-
Balance at end of year	122,693	-

Lease liabilities

	2020	2019
	\$	\$
CURRENT		
Lease Liability	119,094	-
NON CURRENT		
Lease Liability	10,476	-
Balance at end of year	129,570	-

15 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$ 201,063 (2019: \$ 164,433).

16 Related Parties

(a) The Association's main related parties are as follows:

The Committee members did not receive any remuneration directly or indirectly from the Association, or any related body corporate, for management of the Association other than reimbursement of expenses incurred on behalf of the Association.

All transactions between the Association and the Committee members were on normal commercial terms and conditions unless otherwise stated.

Key management personnel - refer to Note 15.

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

Notes to the Financial Statements

For the Year Ended 30 June 2020

16 Related Parties

(a) The Association's main related parties are as follows:

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

17 Events after the end of the Reporting Period

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

18 Statutory Information

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

Baringa Child Care Centre Association Incorporated
64 Baddeley Crescent
Spence ACT 2615

Baringa Child Care Centre Association Incorporated

ABN 42 028 145 288

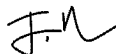
Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person



Responsible person



Dated 22/10/2020

Independent Audit Report to the members of Baringa Child Care Centre Association Incorporated Report on the Audit of the Financial Report

Opinion

We have audited the financial report of *Baringa Child Care Centre Association Incorporated* (the registered entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of *Baringa Child Care Centre Association Incorporated* has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards and 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 registered entity in accordance with 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 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.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are 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 that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the registered entity'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 registered entity or to cease operations, or has no realistic alternative but to do so.

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.

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As part of an audit in accordance with 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 registered entity'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 registered entity 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 those charged with governance 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.

Vincent's Audit Pty Ltd

Phillip Miller

Director

Canberra,

Dated: 30 October 2020

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