



ACN 004 275 709

## **ANNUAL REPORT 2021**

# **THE ASSOCIATION OF GRADUATES IN EARLY CHILDHOOD STUDIES**

PO Box 12163 A'Beckett Street Melbourne VIC 8006

## **COUNCIL MEMBERS**

<b>President</b>	Alannah Dore
<b>Vice-President</b>	Dorothy Connop
<b>Honorary Treasurer</b>	Avril McHugh
<b>Honorary Secretary</b>	Sandra McCarthy-Wilson
<b>General Members</b>	Sue Emmett Wendy Grenfell (Editor of AUDAX) Sarah O'Donnell Sophie Patitsas Nichola Marriott Bridie Raban Gillian Shelley Maree Wiggins

<b>DIRECTORS</b>	Alannah Dore Avril McHugh Sophia Patitsas
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## **FINANCE SUB-COMMITTEE**

Ray Bullen  
Alannah Dore  
Trevor Jewell  
Avril McHugh  
Sophia Patitsas  
Maree Wiggins

<b>FINANCIAL ADVISOR</b>	Ray Bullen
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<b>AUDITORS</b>	Nexia Melbourne Audit Pty Ltd
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<b>COMPANY SECRETARY</b>	Trevor Jewell
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<b>BANK</b>	ANZ
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<b>PROGRAM MANAGER</b>	Liz Potter
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<b>ENGAGEMENT COORDINATOR</b>	Alexandra Heard
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## **Presidents Report AGM 2021**

The Association of Graduates in Early Childhood Studies turned 99 years of age this year. The year has been marked with numerous and diverse advancements and professional development avenues to ease the organisation into an eventful and unforgettable 100<sup>th</sup> year. At the forefront of continued developments, a plan for the coming years has begun to be implemented enabling improved equity and access to AGECS projects, programs and volunteer opportunities, increased geographical reach, advancing communication between Council members, and the broader Early Childhood sector. In addition we present a new identity with AGECS rebranding. This progress has been implemented by the AGECS Council despite the Council having had another challenging year with many unexpected events on top of COVID lockdowns.

To continue to advance quality, relevance, equity and access to AGECS projects and programs it was necessary to engage the skills of Alexandra Heard and Liz Potter that went beyond their previous role descriptions as Events Coordinator and Administration Officer. Liz and Alex have contributed to and implemented numerous ideas toward a Council vision that is technologically efficient so members and the Early Childhood sector may stay informed and have easy access to quality professional development programs in various formats, newly established digital resources and Fellowship grants available on the SmartyGrants platform. After two years of online events, another plan for a major change to the AGECS (with a newfound COVID-plan) will occur with the return to delivering face-to-face programs this time with opportunities made available for all teachers and educators across Victoria to attend all relevant in-person events via live streaming. Further, all events are to be recorded when possible and uploaded as a resource on the website. All these developments are possible due to the extent of expertise of the Engagement Coordinator Alexandra Heard and Program Manager Liz Potter. I think Council members would agree that in conjunction with invaluable work by bookkeeper Trevor Jewel, these three contractors are the backbone to the effective running and evolution of AGECS.

Opportunities to join AGECS in varying capacities has now expanded including Regional Officers, general members able to become committee member without a requirement to be a Council member, and a new professional expression of interest process for prospective Council members.

In the past ten years prior to my time as President, AGECS expanded its reach to regional and rural areas of Victoria with numerous quality professional development programs. Building on these achievements, the Regional Reps and AGECS Membership Committee, supported by the AGECS Engagement Coordinator, have designed a position called Regional Officer where local Early Childhood teachers and educators with a demonstrated leadership flare have the opportunity to become a Regional Officer for their area. In a volunteer capacity they will be supported by AGECS to create local networks and be a spokesperson for their community to communicate the needs of their region to AGECS. This will enable AGECS to respond by providing relevant projects and programs in collaboration with Regional Officers and networks.

The AGECS committees are a vital element of the projects and programs of AGECS. They include both long and short-term commitment by its members consisting of at least two Council members and general members. The permanent committees include the Reconciliation Action Plan (RAP) committee, the Reconciliation Action Plan Working Group committee and the Digital Resources committee. Shorter-term committees currently in operation include the 100 year celebration committee and the Cultural Change committee. I would like to encourage those who may be

interested in extending their leadership skills while supporting the vision of AGECS to submit an expression of interest. Details can be found on the AGECS website or request a link via [info@agecs.org.au](mailto:info@agecs.org.au).

For those who believe they may have the relevant experience and expertise to make a contribution as an AGECS Council member, an expression of interest process clearly outlining the role of Council members and a skills matrix is now available on the website. Submissions to AGECS Membership Committee (comprising Council members only) will be reviewed for recommendation to Council. This will be the new process for those nominating for Council at AGMs while potential Council members may be co-opted on to Council as per the Constitution guidelines. The aim is to continue to improve our practices of attracting increasingly, relevant, diverse and expert members on to Council in order to deliver the AGECS vision and mission.

Following on from 2020, AGECS has continued to create policies and procedures. These provide Council members with increasingly clear and accessible guidelines for operating and collaborating effectively on Council and provide a strong foundation for delivering services to the Early Childhood community. Council members have shared their expert ideas, time and energy to ensure that members and the broader Early Childhood sector are receiving quality support through professional development opportunities.

With the efforts and expertise of the Engagement Coordinator and Program Manager, seven major online educational events with registrations often in the 100s were successfully conducted in the past year. These included Bush Beach Kinder Seminar and Workshop, February Forum, Fellowship Grant Writing, Keeping Children Safe, Risk Benefit Assessment and Collaborating in the Indigenous Space, along with some smaller more targeted programs. The latter included a program on visuals for an Early Childhood service in rural/remote Victoria. All events were planned in response to Early Childhood feedback via newly implemented online systems.

Another significant event was the launch of the first AGECS RAP. Created in conjunction with Aboriginal Community representatives Kerri Douglas (Dja Dja Wurrung and Bangerang), Tristan Williams (Wiradjuri / Wotjobulak) and Kaye Mondon (Yorta Yorta) along with the vast knowledge and expertise of Aboriginal consultant AJ Williams-Tchen (Wiradjuri / Wotjobulak) from Girraway Ganyi Consultancy. We are also proud to have original artworks incorporated into the RAP by Aboriginal designer Steve Young. Work is now well underway implementing the actions outlined in the RAP which is available on the AGECS website.

As we enter a new era for AGECS with the centenary year approaching, an extensive rebranding process has been underway. Over the coming months members and the Early Childhood community will see and sense a new identity that honours AGECS rich historical roots while embracing an impactful future for Early Childhood education and care in Victoria. Embedded throughout online and offline media and documentation, the AGECS aims to reflect in this new identity processes, projects and programs that inspire, empower and reimagine Early Childhood professionals' standing in the community, while providing practical support to bring quality education to all young children and their families across Victoria.

Finally, I would like to take this opportunity to thank long time AGECS Council member and Honorary Treasurer Avril McHugh who for a decade has worked collaboratively with our bookkeeper keeping the Finance Committee informed and overall ensuring AGECS funds are extremely well managed. In response to previous

requests for AGECS to look at ethical investments, with Avril's help we are happy to announce the early stages of developing a new informed ethical investments policy that reflects the overall values of the AGECS membership. As I end my term as President I will also like to thank the tireless work and innovation of all the Council members and the support of the AGECS membership as we have navigated difficult times while bringing about exciting new developments to the AGECS community. With new practices, strong communication and an expansion of our vision AGECS is in a strong position to influence growth and change across Victoria in Early Childhood education.

Alannah Dore  
President 2020-2021

# The AGECS Fellowship Programme for Leadership and Change Report 2021

The Fellowship Advisory Committee in 2021 consists of Coral Campbell, Andrea Nolan and Wendy Grenfell. We have received five grant applications which have been assessed with one successful application, two provisionally accepted (with modifications required) and two applications that were unsuccessful. Committee members have provided their time and support to assess and guide fellowship applications. All applicants are given positive feedback and advice to meet the expectations of the Fellowship grant. We congratulate the following successful 2021 Fellowship recipients.

**Recipient: Lisa Farquhar**

**Project: First Four weeks of Inclusion In Early Childhood Settings**

The project will use the inclusion expertise of the North East early childhood community to create video vignettes about leading and planning for high quality inclusive environments. The ACECQA Consultation Summary Report 2020 - Inclusion of children with disability in early childhood and school age education and care, identified that more support was required to understand the barriers of access for children and families and the reasonable adjustments that should be considered to remove them, encouraging a sense of belonging and an environment for children and families to thrive. Seven videos will be produced:

- Starting the conversation of early intervention and introducing KIS to families
- Reasonable program adjustments to support the inclusion of children in the first four weeks
- Effective supervision of high risk children
- Using the KIS application form as a working document
- Understanding environmental triggers.
- Leading teaching teams, including additional assistants
- Inclusion at first contact with families and children

**Recipient: Sophie Stirling**

**Project Title: Intergenerational Language Nest - program development**

This project focuses on developing 'language nests' in Australia, inspired by the *Kōhanga reo*. *Kōhanga reo* is a Māori phrase meaning 'language nest', and the program is an immersion-based approach for language revitalisation in early childhood education in New Zealand. The program invites grandparents who speak their native language to share culture and language in the early childhood educational settings. Taking learnings from this, communities (and particularly indigenous communities) will be engaged to help empower and connect elders within the early childhood setting as a means for cultural and language integration. The project will develop a paper/booklet on the project, so that the AGECS community and early childhood educators and researchers can have a guide/document outlining how to develop this program with social, ethical and theoretical underpinnings.

**Recipient: Brigid Jackson**

**Project Title: Family Inclusive Nurture Groups in the UK and New Zealand**

The proposed research project seeks to explore and understand the role of Nurture Spaces in the UK, through interviews and an online training course, and through site visits in New Zealand; where a number of services are taking on the practice, to investigate if and how similar concepts could be used in Early Years setting in Victoria. Finds will be compiled into accessible presentations and related materials and will be shared with interested services and broader Early Childhood Education Community in Victoria- leading to deeper investigations into integrated, programs for vulnerable children and families.

WITHDRAWN – October 2021

## Status of existing 2019 and 2020 recipients affected by the COVID pandemic

Due to the ongoing issues with COVID restrictions preventing overseas travel, four recipients of AGECS Fellowship awards are currently on hold with their projects. As the pandemic has progressed, email exchanges have been undertaken to keep abreast of progress. Below is a brief overview of the current status of each participant from 2020 and 2019.

### 2020 Fellowship applicants and results

Name	Project Title:	Result	Status
Tania Sangiorgio	<i>To explore the community cultural approach to meals which is embedded in the Emilia Reggio preschools through their education program for ECE</i>	Successful	Ongoing discussion across 2020/21 re COVID. 5/8/2021 – Digital tour may be available
Naomi Falconer	<i>Working with preschool educators and foundation teachers to build children's resilience and sense of agency, using the Pyramid Model</i>	Successful	Relies on international travel to USA. Postponed.
Sarah Gandolfo	<i>Increase professional standards through strategic coaching and mentoring</i>	Unsuccessful	

### 2019 Fellowship applicants and results

The two recipients from 2019 had received their funding and had booked airfares and committed funds to conferences and accommodation. When it became clear that they would be unable to fulfil their overseas component of the project, excess funds were paid back to AGECS. However, some of the funds are currently held as travel vouchers or commitments until such a time as the project can advance or is cancelled.

Name	Project Title:	Result	Status
Lydia Bustin	Transforming pedagogy and practice: A welcoming of possibility	<b>Successful</b>	Requires Italian Reggio Study tour – put on hold. Ongoing communication with Lydia (2021). \$3000 held by Qantas and Italian Hotel.
Nicole Lees	<i>Learning from our neighbours: Spiritual learning guided by indigenous cultures</i>	<b>Successful</b>	Requires NZ study tour – put on hold. Ongoing communication with Nicole (2021). \$1701 held for conference and flights.

The Fellowship Advisory Committee has been reduced in number over the last two years and for full effectiveness, its membership needs to be increased. I look forward to working with the AGECS Committee to ensure its numbers increase.

*Coral Campbell*

Chair of Fellowship Advisory Committee,  
Association of Graduates in Early Childhood Studies

**Report from the Trustees of the Foundation of Graduates in Early Childhood  
Studies**

**Year ended June 30 2021**

It has been another exceptionally challenging year not only for the Foundation and all the people and organisations it supports, but for the community as a whole and indeed the whole world.

In Victoria there have only been relatively short periods where there have not been some sort of restrictions and long periods of lockdowns which has made in person meetings of the Foundation and the advisory committees difficult if not impossible. Thankfully the scheduled meetings of the advisory committees coincided with an "open" period and they met, reviewed all of the applications for the coming year and made recommendations. The trustees were not so lucky with their meeting dates but were able to manage all of the required work remotely, mostly via email and phone calls. We cannot wait to have the opportunity for an in person meeting again however.

The number of lockdowns and other restrictions had other significant impacts on the organisations we provide grants to, especially on the Warrawong side where most of the grants are for professional development via conferences etc and many, if not most, of them were deferred, cancelled or moved on line. This in turn has presented new challenges to the trustees, as well as the organisations, as we have provided grants to those organisations to attend functions that have either been delayed or moved on line requiring extra consultation between the trustees and those organisations to deal with the change circumstances. This challenge is ongoing into the current year as well given the ongoing lockdown situation.

As a foundation we have recognised that this is a very challenging time for all of the organisations that we support, and the community in general, and therefore made a decision to not cut back on the amount we granted despite a fall in the income generated by the Foundation due to the impact of the pandemic on interest rates and income in particular. Indeed, we granted over \$100,000 more than we earned in income over the 2021 year and have done similar in the current (2022) year. Of course, not all of that may end up being spent, especially on the Warrawong side, in the allotted year due to Covid restrictions. However the Foundation believes that in the current unprecedented times it is prudent to err on the side of generosity, at least initially, and rely on the good graces of the grant recipients to contact us and reschedule (or possibly repay) if the funds cannot be used for the granted purpose or within the expected timeframe.

Despite the Covid situation and paying out more than we earned in income over the past year, and the lower income received, the Foundation had a very good year financially. The Foundation's net assets went up in value from just over \$7.85M in June 2020 to just under \$9.0M by June 2021, despite paying out over \$415,000 during the year. This was in most part due to strong share markets over the year and was a significant reason behind why we could make the continued strong grant amounts. A full list of all the grant recipients is shown at the end of this report. We will continue to make grants in excess of income earned while the current crisis continues and the grants made in the 2022 year (decisions have been finalised and most of the grants made) are again in excess of what we expect to earn in income over the year.



As mentioned in last year's report this level of spending has involved some use of the reserves that we have built up over time, and may again in the current year and maybe for a bit longer after that, although we expect to rebuild them as conditions improve. However, the strong growth in the asset base over the past year as markets have recovered has mitigated that for the time being. The way we have run the Foundation's finances is to try to balance current needs of our beneficiaries with their future needs. Each year we try to spend the current income on current needs of beneficiaries and put aside any capital growth to provide for future beneficiaries. However, in tough times like in the past couple of years that enables us to dip into those reserves to maintain our level of support despite lower income. The amount of income we will receive this coming year is still uncertain but, as mentioned above, is likely to be less than we grant. We will report on the outcome in next year's report but are very confident that it will not have a meaningful impact on the foundation's long-term prospects.

In last year's report we also mentioned a special granting project, supplementing funds provided by the Potter Foundation, to help fund Australian Schools Plus fund a Fair Education Victoria Project to address high levels of absenteeism in primary schools in disadvantaged areas (and the associated long-term impact on those children's prospects). We are pleased to report that we made the second of three annual payments in the past year and, while the project has been delayed somewhat by Covid lockdowns, it is still proceeding and we are expecting it will be a very worthwhile project to have been associated with.

At the time of writing this report the assets of the Foundation are about \$8.9M after paying out the 2021 / 2022 grants totalling about \$450,000. The details of these and any other grants made through the year will be provided in next year's report.

Finally, it is with a degree of sadness that I have to report that one of our longstanding trustees, Glenys Severin, retired from the Foundation during the year. Glenys has been a contributor to AGECS Council and a Trustee of the Foundation for over 20 years. She has been a Trustee for close to 15 years. She has played a significant role in acting as a direct channel of communication between the Trustees and the Warrawong Advisory Committee. This role on Warrawong was particularly important in resolving some complex issues related to professional development. She also acted as a contact person on the Foundation's 'help line', patiently fielding queries about technical issues and advising potential applicants on conceptual issues in order to give them the best chance of success. Her contacts in the field of early childhood have been useful in reaching out to groups who might not understand their eligibility to apply for a grant. Glenys has reluctantly stepped down from the Foundation because her health problems mean that she is not able to contribute to its work to the extent that she has in the past. She says it was a privilege to serve both AGECS and the Foundation. The other trustees will miss her enthusiasm and informed input, especially in regard to technical issues surrounding interpreting the needs being requested to be filled in grant requests.

**Below is the full list of grants made for the year this report covers.**

#### **Forest Hill Grants 2020/21**

The following organizations were recipients of those grants totalling **\$190,375.62** were paid to:

Appin Park Parents Association, Avenel Preschool, Balnarring Preschool, Barmah Kindergarten & Occasional Child Care Centre Inc., Barry Beckett Children's Centre Inc., Bayside Toy Library, Berwick Church of Christ, Bestchance Child & Family Care, Bundoora Preschool, Carnegie Toy Library, Community Kinders Plus Inc., Eildon Road Children Centre Inc., Elwood Toy Library Inc., Emerald Hill Toy Library, Greater Shepparton City Council, Kew Toy Library Inc., Kingston Toy Library, Knitting For The Needy Community Support Group Inc., Knox & District Toy Library, Kyogle Preschool & OSHC Association Incorporated, Maroondah Toy Library Inc., Maryborough Toy Library, Mater Dei Preschool, Meadows Primary School Early Learning Centre-Community Hub, Mildura Toy Library, Moonee Valley Toy Library, Mt Evelyn Community Toy Library Association Inc., Northern and Inner Multiple Birth Association, Nth Ringwood Community Children's Centre Inc., Rosebud Toy Library, Roxburgh Rise Primary School, Springvalley Preschool Inc., Sutherland Shire Council, Talbingo 3 Year Old Kindergarten, The Lady Gowrie Child Centre (Melbourne) Inc., Very Special Kids, Vision Australia Ltd, Whorouly & District Preschool.

### **Warrawong grants 2020/21**

The following organizations were recipients of those grants totalling **\$225,118.00** were paid to:

Balnarring Preschool, Bestchance Children's Centre, City of Whittlesea, Dawson Street Childcare Cooperative, Early Childhood Australia-Vic Branch, Goulburn Region Preschool Association Inc., Kinglake Ranges Children's Centre, Lockington Kindergarten- Shine Bright, Moreland Community Child Care Centres, Noah's Ark Inc., North East Regional Pre School Association, Play Australia (IPA Australia), Playgroup Victoria, Rowen Street Kindergarten, Royal Institute for Deaf and Blind Children, Schools Plus, Skye Children's Co-op., Tarralla Kindergarten Association Incorporated, TRY Children's Services (TRY), Uniting Vic Tas., Uniting Victoria and Tasmania, Uniting Wimmera, Uniting Wimmera Regional Family Day Care, Victorian Association of TESOL (VicTESOL).

Finally, I cannot end this report without recognising all of the hard work that Di Burgess and Kevin Fell in particular do in the finance and secretarial roles for the Foundation, along with all of the other trustees, both present and past, as well as advisory committees who have contributed to this great result.

The two Advisory Committees did a remarkable job processing, evaluating and selecting from among the large number of worthy applications. They did this job during a difficult period with lock downs that required them to use innovative ways of conducting their meetings. They met their deadlines without fuss, ensuring that funds got out to the early childhood field in these very trying times.

Hugh Hodges

Chair of the Foundation

On behalf of the Trustees

September 2021



**The Association of Graduates in Early Childhood Studies**  
ACN 004 275 709

## **Financial Statements**

**For the Year Ended 30 June 2021**

# **The Association of Graduates in Early Childhood Studies**

ACN 004 275 709

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# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Directors' Report

30 June 2021

The directors present their report on The Association of Graduates in Early Childhood Studies for the financial year ended 30 June 2021.

### General information

#### Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Ms Alannah Dore	President
Mrs Avril McHugh	Treasurer
Ms Sophie Patitsas	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Company secretary

Trevor Jewell has been the company secretary since 2012.

#### Principal activities

The principal activity of The Association of Graduates in Early Childhood Studies during the financial year was to act as an advocate for the profession of early childhood education. The company derived significant revenue from its investment activities which enabled the funding of a number of programs in pursuit of this principal activity.

#### Short term objectives

The Company's short term objectives are to:

- Ensure financial sustainability so that long term objectives can be met.

#### Long term objectives

The Company's long term objectives are to:

- The AGECS supports the Early Childhood profession through a number of professional learning opportunities to further understanding and knowledge of child development and learning so that all children have access to high standards of care and education in Early Childhood settings
- The AGECS leads the provision of innovative and challenging learning to Early Childhood professionals to develop quality early childhood settings. These settings enhance learning and developmental achievements for all children with the most significant impact being on the outcomes of children experiencing vulnerability.

# **The Association of Graduates in Early Childhood Studies**

ACN 004 275 709

## **Directors' Report**

**30 June 2021**

### **General information (continued)**

#### **Strategy for achieving the objectives**

To achieve these objectives, the Company has adopted the following strategies:

- Regular council meetings where quarterly financial reports are presented showing month to date, year to date and budgeted information. The reports also show the current values of cash on hand, term deposits, hybrid/fixed interest securities and shares. A report of transaction activity is also presented.
- The company has a finance sub-committee that reviews the investment strategy to determine the degree of diversification, risk and likely returns from investments, liquidity of assets and the ability to pay costs as they occur.

#### **Performance measures**

The Company measures its own performance through the use of quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long term objectives are being achieved.

The Company has set in place an annual review of the Mission Statement and the short and long term objectives set for the year. The aim of the review is to ascertain if the objectives support the Mission Statement.

#### **Operating results and review of operations for the year**

##### **Operating results**

The surplus of the Company amounted to \$ 204,211 (2020: deficit \$ 102,323).

##### **Other items**

##### **Significant changes in state of affairs**

The following significant changes in the state of affairs of the Company occurred during the financial year:

COVID-19 continued to impact on the state of affairs of the Company during the year resulting in the continued provision and development of online operations. These developments will continue to benefit AGECS and its members into the future due to extensive development of online events and resources reaching a greater cohort and diversity of member across Victoria. The Fellowship awards programme deadline was extended due to the inability of fellowship awardees to travel to complete their projects. During this time, AGECS developed and systemised policies and procedures to improve the professionalism and risk management of the organisation.

##### **Events after the reporting date**

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

##### **Environmental issues**

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.



# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Directors' Report

30 June 2021

### Other items (continued)

### Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2021 has been received and can be found on page 6 of the financial report.

### Future developments

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

### Options

No options over issued shares or interests in the entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

### Information on directors

#### Ms Alannah Dore

##### Qualifications

President from 9th November 2019, Council member since 2013

Graduate Certificate in Education (Tertiary Teaching) 2019

Masters in Early Childhood 2016

Advanced Certificate in Systems Therapy 1994

Bachelor of Education 1986

Diploma of Teaching (Golden Key International Honour Society)

##### Experience

Alannah has been the director of numerous preschools and long day care before establishing a counselling practice for two decades.

In the past ten years she has worked as a casual consultant for FKA Children's Services and as an Inclusion Support Facilitator and Inclusion Professional for KU Children's services and Sessional Lecturer for Federation University.

As a recipient of the Fellowship for Leadership and Change grant Alannah created an original research and production project exploring a multi-model and multi-sensory approach to developing PD resources for Diploma & Certificate IV early childhood educators who have minimal professional development access.

Currently Alannah is studying a higher degree by Research with Federation University Australia while continuing voluntary work in early childhood education and family wellbeing.

#### Mrs Avril McHugh

##### Qualifications

Treasurer, Council member since 2010

Diploma of Kindergarten Teaching (Melbourne)

##### Experience

Avril has had experience in both rural and urban kindergartens in Victoria and interstate as listed below:

Dalton Preschool, Lalor 1973 -77

Maldon Preschool 1978

Moriarty Primary, Tasmania 1990

Ulverstone Primary School, Tasmania 1991

Vista Valley Preschool, Bulleen 1995-96

From 1997 to 2015 Avril worked in various roles as Co -Director and Teacher of Three and Four Year olds at Yarralea Children's Centre, a multi-purpose early childhood education and care centre.

Avril is now retired from teaching but continues her interest in the Early Childhood Education by being on the AGECS Council.

# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Directors' Report

30 June 2021

### Information on directors (continued)

<b>Ms Sophie Patitsas</b>	Council member since 2009
Qualifications	Master of Education, Graduate Diploma of Special Education, Diploma of Teaching (Early Childhood),
Experience	Sophie taught at: Renown Kindergarten- South Yarra 1987 (temp) Dobson Kindergarten – Maidstone 1987-1993 Sunshine Kindergarten – Sunshine 1993. Early Intervention Teacher at: Uncle Bob's Child Development Centre – Royal Children's Hospital (1993-1998).  Consultant at: Playworks Resource Unit for Children With Disabilities.  Sophie is currently working as a Preschool Field Officer – Moreland City Council 1998.

### Meetings of directors

During the financial year, 7 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ms Alannah Dore	7	7
Mrs Avril McHugh	7	7
Ms Sophie Patitsas	7	7

### Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of The Association of Graduates in Early Childhood Studies.

During the year the entity has paid premiums to insure directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceeding arising out of their conduct while acting in the capacity of officer of the entity, other than conduct involving a wilful breach of duty in relation to the company.

The amount of the premium was \$1,103 (2020: \$1,257).

### Proceedings on behalf of company

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.



## The Association of Graduates in Early Childhood Studies

ACN 004 275 709

### Directors' Report

30 June 2021

#### Auditor's independence declaration

The auditor's independence declaration in accordance with Subsection 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2021 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:

  
Mrs Avril McHugh

Dated this 13<sup>th</sup> day of October 2021

**The Association of Graduates in Early Childhood Studies**  
**ACN 004 275 709**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-40 OF THE  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO  
THE DIRECTORS OF THE ASSOCIATION OF GRADUATES IN EARLY CHILDHOOD  
STUDIES**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



**Nexia Melbourne Audit Pty Ltd  
Melbourne**



**Andrew S. Wehrens  
Director**

**Dated: this 13th day of October 2021**

## The Association of Graduates in Early Childhood Studies

ACN 004 275 709

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Revenue	4	60,527	97,021
Other revenue	4	1,092	(36,015)
Administrative, conference and program expenses		(77,800)	(102,760)
Fair value remeasurement gains / (losses) on financial assets		220,392	(60,569)
<b>Surplus / (Deficit) before income tax</b>		<b>204,211</b>	<b>(102,323)</b>
Income tax expense	2.1.	-	-
<b>Surplus / (Deficit) for the year</b>		<b>204,211</b>	<b>(102,323)</b>
<b>Other comprehensive income, net of income tax</b>			
<b>Total comprehensive income for the year</b>		<b>204,211</b>	<b>(102,323)</b>

The accompanying notes form part of these financial statements.

# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	172,059	180,977
Trade and other receivables	6	19,776	25,667
Financial assets	7	1,519,789	1,300,167
Prepaid assets		1,286	1,538
TOTAL CURRENT ASSETS		1,712,910	1,508,349
TOTAL ASSETS		1,712,910	1,508,349
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	8	7,000	6,650
TOTAL CURRENT LIABILITIES		7,000	6,650
TOTAL LIABILITIES		7,000	6,650
NET ASSETS		1,705,910	1,501,699
<b>EQUITY</b>			
Retained surplus		1,705,910	1,501,699
TOTAL EQUITY		1,705,910	1,501,699

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2021**

**2021**

	Retained Surplus \$
Balance at 1 July 2020	1,501,699
Surplus for the year	204,211
Balance at 30 June 2021	<u>1,705,910</u>

**2020**

Balance at 1 July 2019	1,604,022
Deficit for the year	(102,323)
Balance at 30 June 2020	<u>1,501,699</u>

# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from members and customers	1,454	11,262
Payments to suppliers, employees and contractors	(78,790)	(102,761)
Dividends, distributions and imputation credits received	66,549	93,874
Interest received	1,790	2,287
Net cash (used in) / provided by operating activities	13 (8,997)	4,662
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of investments	80,659	82,577
Purchase of investments	(80,580)	(42,760)
Net cash provided by investing activities	79	39,817
Net increase / (decrease) in cash and cash equivalents held	(8,918)	44,479
Cash and cash equivalents at beginning of year	180,977	136,498
Cash and cash equivalents at end of financial year	5 172,059	180,977

The accompanying notes form part of these financial statements.



# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers The Association of Graduates in Early Childhood Studies as an individual entity. The Association of Graduates in Early Childhood Studies is a not-for-profit Company limited by guarantee, registered and domiciled in Australia.

The functional and presentation currency of The Association of Graduates in Early Childhood Studies is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

In the Directors opinion the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Corporations Act 2001 and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

The financial statements, except for the cash flow statement, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Significant Accounting Policies

#### 2.1. Income Tax

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

#### 2.2. Revenue and other income

Income from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue and imputation credits refundable are recognised and recorded on an accruals basis. Dividend revenue is recognised when dividend is received.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

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

#### 2.3. Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (continued)

#### 2.3. Goods and services tax (GST) (continued)

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

#### 2.4. Fair value of assets and liabilities

The Company measures some of its assets and liabilities at fair value. Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

#### 2.5. Financial instruments

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company 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*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (continued)

#### 2.5. Financial instruments (continued)

- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

The Company has some derivatives which are designated as financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (continued)

#### 2.5. Financial instruments (continued)

##### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

##### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The Company's available-for-sale financial assets comprise listed securities.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in the prior period statement of profit or loss and other comprehensive income resulting from the impairment of debt securities are reversed through the statement of profit or loss and other comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

##### *Financial liabilities*

The Company's financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

##### *Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### *Financial assets at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2021**

### **2 Summary of Significant Accounting Policies (continued)**

#### **2.5. Financial instruments (continued)**

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

##### *Available-for-sale financial assets*

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

For current year

Financial instruments are recognised initially on the date that the Company 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.

##### *Classification*

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

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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.



## **Notes to the Financial Statements**

**For the Year Ended 30 June 2021**

### **2 Summary of Significant Accounting Policies (continued)**

#### **2.5. Financial instruments (continued)**

##### **Financial assets (continued)**

The Company'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, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

##### *Fair value through other comprehensive income*

##### **Equity instruments**

The Company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

##### *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
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

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

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2021**

### **2 Summary of Significant Accounting Policies (continued)**

#### **2.5. Financial instruments (continued)**

##### **Financial assets (continued)**

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

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company 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 Company 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 Company 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.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

##### **Financial liabilities**

The Company 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 Company comprise trade payables, bank and other loans and finance lease liabilities.

#### **2.6. Cash and cash equivalents**

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

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2021**

### **2 Summary of Significant Accounting Policies (continued)**

#### **2.7. Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

### **3 Critical Accounting Estimates and Judgments**

The Directors 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 - Impairment**

The directors assess impairment at each reporting date by evaluating conditions specific to the Authority that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the assets is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 4 Revenue and Other Income

	2021 \$	2020 \$
Revenue		
- Dividend and distribution income	59,073	85,759
- Memberships, programs, other revenue		
Memberships	1,454	1,773
Professional Development Sessions - Grant Income	-	9,489
	<u>60,527</u>	<u>97,021</u>
Other revenue		
- Gain / (Loss) on sale of investments	(691)	(38,302)
- Interest income	1,783	2,287
	<u>1,092</u>	<u>(36,015)</u>
	<u>61,619</u>	<u>61,006</u>

### 5 Cash and Cash Equivalents

Cash at bank	57,384	57,891
Cash trust accounts	114,675	123,086
	<u>172,059</u>	<u>180,977</u>

### 6 Trade and Other Receivables

CURRENT		
GST receivable	3,032	1,440
Imputation credits receivable	16,494	23,970
Interest receivable	250	257
	<u>19,776</u>	<u>25,667</u>

### 7 Financial Assets

#### Financial assets

CURRENT		
Shares in listed entities - fair value	1,519,789	1,300,167
	<u>1,519,789</u>	<u>1,300,167</u>



## Notes to the Financial Statements

For the Year Ended 30 June 2021

### Assets available for sale

	2021 Market Value \$	2021 Cost \$	2020 Market Value \$	2020 Cost \$
ANZ Capital Notes 1	70,077	71,395	71,218	71,395
Argo Investments	47,329	40,669	38,107	40,669
ASX Limited	110,348	50,190	121,240	50,190
Australian Foundation Investment Company	219,085	148,334	170,617	148,334
Australia and New Zealand Banking Group	23,083	25,131	15,285	25,131
Coles Group	33,189	11,940	33,344	11,940
Commonwealth Bank of Australia - PERLS VII	91,215	90,000	89,380	90,000
Commonwealth Bank of Australia	69,410	25,758	48,247	25,758
Endeavour Group Ltd	4,686	-	-	-
Macquarie Group Capital Notes 3	52,635	50,000	50,840	50,000
Macquarie Group Capital Notes 2	14,477	13,300	13,874	13,300
MFF Capital Investments Ltd	103,104	70,089	97,018	70,089
MFF Convertible Pref Shares	1,969	-	-	-
Milton Corporation	92,100	64,984	59,792	64,984
NAB Convertible Pref Shares II	-	-	80,096	80,691
NAB Capital Notes 3	97,101	90,000	92,241	90,000
NAB Capital Notes 5	84,000	80,000	-	-
National Australia Bank	66,258	63,927	46,041	63,927
Telstra Corporation Ltd	37,709	34,716	31,391	34,716
Stockland	33,342	30,099	23,683	30,099
Transurban Group	52,580	45,104	52,210	45,104
Woolworths Group Ltd	28,407	21,123	27,774	21,123
Wesfarmers Ltd	114,772	29,361	87,060	29,361
Westpac Banking Corporation	72,913	71,743	50,709	71,743
<b>Total</b>	<b>1,519,789</b>	<b>1,127,863</b>	<b>1,300,167</b>	<b>1,128,554</b>



## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 8 Trade and Other Payables

	2021	2020
	\$	\$
Accrued expenses	7,000	6,650

#### 9 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The main purpose of non- derivative financial instruments is to raise finance for company operations.

The Company does not have any derivative instruments as at 30 June 2021.

##### Specific risks

- *Interest rate risk*  
The company has no debt instruments in place which are subject to fluctuations in interest rates.
- *Foreign currency risk*  
The company is not exposed to fluctuations in foreign currencies
- *Liquidity risk*  
The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate borrowing facilities are maintained.
- *Credit risk*  
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.  
  
The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

##### Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Investments in listed shares
- Trade and other payables
- Term deposits

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 9 Financial Risk Management (continued)

#### (i) - Interest rate risk

##### Financial instrument composition and maturity analysis

The Company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash and cash equivalents	0.14	0.35	172,059	180,997	-	-	172,059	180,997
<b>Financial Liabilities:</b>								
Accruals	-	-	-	-	7,000	6,650	7,000	6,650
<b>Total Financial Liabilities</b>	-	-	-	-	7,000	6,650	7,000	6,650

#### 9.1. Net fair values

For all assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial statements. Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date

	2021 Carrying Amount \$	2021 Net Fair Value \$	2020 Carrying Amount \$	2020 Net Fair Value \$
<b>Financial assets</b>				
Shares in listed entities	1,519,789	1,519,789	1,300,167	1,300,167
	<b>1,519,789</b>	<b>1,519,789</b>	<b>1,300,167</b>	<b>1,300,167</b>

# The Association of Graduates in Early Childhood Studies

ACN 004 275 709

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 10 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstandings and obligations of the Company. At 30 June 2021 the number of members was 991 (2020: 1,035).

### 11 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor Nexia Melbourne Audit Pty Ltd, for:		
- auditing the financial report for the year	5,600	5,350
- other services - preparation of financial report	1,400	1,300
<b>Total</b>	<b>7,000</b>	<b>6,650</b>

### 12 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020: None).

### 13 Cash Flow Information

#### 13.1. Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net surplus / (deficit) to net cash from operating activities:

	2021	2020
	\$	\$
Surplus / (Deficit) for the year	204,211	(102,323)
Cash flows excluded from surplus / (deficit) attributable to operating activities		
Non-cash flows in surplus / (deficit):		
- fair value loss / (gain) on available for sale financial assets	(220,392)	60,569
- net (gain) / loss on disposal of investments	691	38,302
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	5,891	8,114
- (increase) / decrease in other assets	252	-
- increase / (decrease) in trade and other payables	350	-
<b>Cashflows from operating activities</b>	<b>(8,997)</b>	<b>4,662</b>

### 14 Statutory Information

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

The Association of Graduates in Early Childhood Studies  
Level 5, 100 Leicester Street  
CARLTON VIC 3053

## The Association of Graduates in Early Childhood Studies

ACN 004 275 709

### Directors' Declaration

The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors declare that, in their 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 attached financial statements and notes thereto satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including giving a true and fair view of the financial position and performance of the registered entity in accordance with the accounting policies described in Note 1 to the financial statements.

Signed in accordance with a resolution of the Directors pursuant to Regulation 60-15 of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director .....  .....  
Mrs Avril McHugh

Dated this 13<sup>th</sup> ..... day of October 2021



## **Independent Auditor's Report To the Members of the Association of Graduates in Early Childhood Studies**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report, being a special purpose financial report, of the Association of Graduates in Early Childhood Studies (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of 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 directors' declaration.

In our opinion, the accompanying financial report of the Association of Graduates in Early Childhood Studies, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 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 Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, has been given to the directors of the Company, at the time of this auditor's report.

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

#### **Emphasis of matter regarding basis of accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

## **Independent Auditor's Report**

### **To the Members of the Association of Graduates in Early Childhood Studies**

#### **Report on the Audit of the Financial Report**

##### ***Directors' responsibility for the financial report***

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

##### ***Auditor's responsibility 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 the 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company to cease to continue as a going concern.



## **Independent Auditor's Report To the Members of the Association of Graduates in Early Childhood Studies**

### **Report on the Audit of the Financial Report**

#### ***Auditor's responsibility for the audit of the financial report continued...***

- 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.

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



**Nexia Melbourne Audit Pty Ltd  
Melbourne**



**Andrew S. Wehrens  
Director**

**Dated: this 13th day of October 2021**



# **The Foundation of Graduates in Early Childhood Studies**

**ABN 58 833 071 672**

## **Financial Statements**

**For the Year Ended 30 June 2021**



# The Foundation of Graduates in Early Childhood Studies

ABN 58 833 071 672

## Contents

For the Year Ended 30 June 2021

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER SUBDIVISION 60-40 OF THE  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012  
TO THE TRUSTEES OF THE FOUNDATION OF GRADUATES IN EARLY CHILDHOOD STUDIES.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.



**Nexia Melbourne Audit Pty Ltd  
Melbourne**



**Andrew S. Wehrens  
Director**

**Dated: this 28<sup>th</sup> day of September 2021**

# The Foundation of Graduates in Early Childhood Studies

ABN 58 833 071 672

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Distributions received		229,553	325,954
Imputation credits		65,017	77,617
Interest income		4,961	8,899
Movement in Fair Value of Financial Assets		1,226,015	(229,806)
Gain / (Loss) on sale of investments		23,909	(197,061)
		<u>1,549,455</u>	<u>(14,397)</u>
<b>Expenses</b>			
Audit fees	6	(6,700)	(6,825)
Bookkeeping fees		(7,000)	(7,000)
Insurance		(2,288)	(2,045)
Other expenses		(2,590)	(4,792)
		<u>(18,578)</u>	<u>(20,662)</u>
Distributions made during the year	9	(415,494)	(592,889)
<b>Surplus / (Deficit) for the year</b>		<u><u>1,115,383</u></u>	<u><u>(627,948)</u></u>

The accompanying notes form part of these financial statements.

# The Foundation of Graduates in Early Childhood Studies

ABN 58 833 071 672

## Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	3	668,195	690,350
Trade and other receivables	4	66,860	79,320
Other financial assets	5	8,239,187	7,089,473
Other assets		2,114	1,954
TOTAL CURRENT ASSETS		8,976,356	7,861,097
TOTAL ASSETS		8,976,356	7,861,097
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables		6,700	6,824
TOTAL CURRENT LIABILITIES		6,700	6,824
TOTAL LIABILITIES		6,700	6,824
NET ASSETS		8,969,656	7,854,273
<b>EQUITY</b>			
Trust capital	8	3,500,000	3,500,000
Retained Surpluses		5,469,656	4,354,273
TOTAL EQUITY		8,969,656	7,854,273

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 30 June 2021

### 2021

	Retained Surpluses	Trust Capital	Total
	\$	\$	\$
Balance at 1 July 2020	4,354,273	3,500,000	7,854,273
Surplus for the year	1,115,383	-	1,115,383
Balance at 30 June 2021	5,469,656	3,500,000	8,969,656

### 2020

	Retained Surpluses	Trust Capital	Total
	\$	\$	\$
Balance at 1 July 2019	4,982,221	3,500,000	8,482,221
Deficit for the year	(627,948)	-	(627,948)
Balance at 30 June 2020	4,354,273	3,500,000	7,854,273



## The Foundation of Graduates in Early Childhood Studies

ABN 58 833 071 672

### Statement of Cash Flows For the Year Ended 30 June 2021

	<b>Note</b>	<b>2021</b> \$	<b>2020</b> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Proceeds / payments for financial assets		<b>113,772</b>	355,786
Payments to suppliers, employees and others		<b>(18,863)</b>	(20,424)
Dividends received		<b>294,570</b>	403,534
Interest received		<b>3,860</b>	6,477
Grants paid		<b>(415,494)</b>	(592,889)
Net cash provided by / (used in) operating activities	<b>7</b>	<b>(22,155)</b>	152,484
Net increase / (decrease) in cash and cash equivalents held		<b>(22,155)</b>	152,484
Cash and cash equivalents at beginning of year		<b>690,350</b>	537,866
Cash and cash equivalents at end of financial year	<b>3</b>	<b>668,195</b>	690,350

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 1 Basis of Preparation

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

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

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Significant Accounting Policies

The perpetual charitable trust known as the Foundation of Graduates in Early Childhood Studies was established on 7th May 2005, and was previously known as the Forest Hill Early Childhood Foundation - incorporating Warrawong Fund which was established on 27th March 1995.

#### (a) Adoption of new and revised accounting standards

The Trust has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Trust.

#### (b) Income Tax

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

Deferred tax consequences relating to a non-monetary asset carried at fair value are determined using the assumption that the carrying amount of the asset will be recovered through sale.

#### (c) Revenue and other income

Income distributions and capital distributions received from unit trusts are recognised as at the date the unit value is quoted ex-distribution. Dividends in direct equity holdings are recognised on the date payable.

Imputation credits in respect of distributions and dividends received are recognised as revenue as at the date the share is quoted ex-dividend. As the application for the refund of excess imputation credits can only be made after year end, the applicable revenue is accrued for at year end.

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (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).

Receivables and payables are stated inclusive of GST.

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

##### (e) Share buy-backs

The managed funds and securities that the Trust has invested in may participate in share buy-backs, where appropriate, and receive the proceeds in the form of capital and fully franked dividend component. The full proceeds received by the Trust, as part of the distribution income of the Trust, (including franking credits) are applied as income. For accounting purposes, the dividend and capital component is treated as income.

##### (f) Financial instruments

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Trust 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*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

## 2 Summary of Significant Accounting Policies

### (f) Financial instruments

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Trust's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Trust renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Trust does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

#### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

The Trust has some derivatives which are designated as financial assets at fair value through profit or loss.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

For current year

Financial instruments are recognised initially on the date that the Trust 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 2021

#### 2 Summary of Significant Accounting Policies

##### (f) Financial instruments

###### Financial assets

###### *Classification*

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

- amortised cost
- fair value through profit or loss - FVTPL

###### *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 Trust'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, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Financial assets through profit or loss*

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Trust holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.



## Notes to the Financial Statements

### For the Year Ended 30 June 2021

## 2 Summary of Significant Accounting Policies

### (f) Financial instruments

#### Financial assets

##### *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
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Trust 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 Trust's historical experience and informed credit assessment and including forward looking information.

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

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

- the other party is unlikely to pay its credit obligations to the Trust in full, without recourse to the Trust to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

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

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

#### Financial liabilities

The Trust 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 Trust comprise trade payables, bank and other loans and finance lease liabilities.

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 2 Summary of Significant Accounting Policies

##### (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.

#### 3 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and on hand	7,426	4,276
Deposits at call	660,769	686,074
	<u>668,195</u>	<u>690,350</u>

#### 4 Trade and Other Receivables

##### CURRENT

GST receivable	522	215
Interest receivable	1,321	1,488
Imputation credits refundable	65,017	77,617
	<u>66,860</u>	<u>79,320</u>

## Notes to the Financial Statements

### For the Year Ended 30 June 2021

#### 5 Other Financial Assets

##### (a) Financial assets at fair value through profit or loss

	2021	2020
	\$	\$
CURRENT		
Shares in listed corporations	8,239,187	7,059,473
Other financial assets	-	30,000
<b>Total</b>	<b>8,239,187</b>	<b>7,089,473</b>

	2021	2021	2020	2020
	Market Value	Cost	Market Value	Cost
	\$	\$	\$	\$
AFIC Ltd	609,248	150,316	474,466	344,909
Amcor Limited	151,300	112,647	144,800	112,602
Ampol Limited	-	-	173,574	171,705
Argo investments Ltd	231,063	135,629	186,041	135,590
Atlas Arteria	661,085	609,022	655,003	578,872
BHP Billiton Ltd	337,513	249,524	248,913	230,137
Carsales.com Ltd	451,753	148,632	354,800	99,938
Commonwealth Bank Ltd	585,738	211,851	407,148	215,466
Commonwealth Bank (Perls VII)	81,080	80,000	79,449	80,000
Computershare Preference Shares	336,428	128,869	236,844	123,895
CSL Limited	530,453	250,220	533,820	250,140
Diversified United Inv Ltd	564,184	276,175	459,826	276,175
Imugene Limited	186,837	100,437	-	-
Macquarie Group Limited	427,054	250,603	323,778	250,523
National Australian Bank Limited	276,254	268,166	191,966	265,101
NABHA	-	-	129,993	100,232
Oil Search Ltd	-	-	68,221	112,733
Orora Limited	230,170	250,954	175,565	250,874
Ramsay Healthcare Limited	252,115	281,497	266,413	281,497
Reliance Worldwide Corporation Ltd	286,670	254,440	160,230	254,439
Rio Tinto Ltd	184,514	130,279	142,727	130,227
Spark Infrastructure Group	337,500	263,815	324,000	263,725
Tombador Iron Ltd	95,506	102,914	-	-
Transurban Group Ltd	711,500	324,664	706,500	324,608
Wesfarmers Ltd - Part Protected	360,215	115,862	273,239	111,143
Woodside Petroleum Ltd	351,007	442,172	342,157	442,004
	<b>8,239,187</b>	<b>5,138,688</b>	<b>7,059,473</b>	<b>5,406,535</b>

# The Foundation of Graduates in Early Childhood Studies

ABN 58 833 071 672

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 6 Auditors' Remuneration

	2021	2020
	\$	\$
Remuneration of the auditor Nexia Melbourne Audit Pty Ltd, for:		
- Audit of the financial statements	5,300	5,460
- Preparation of the financial statements	1,400	1,365
	<u>6,700</u>	<u>6,825</u>

### 7 Cash Flow Information

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

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

Surplus / (Deficit) for the year	1,115,383	(627,948)
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	12,461	100,008
- (increase)/decrease in other assets	(160)	(87)
- increase / (decrease) in trade and other payables	(125)	325
- (increase) / decrease in financial assets	(1,149,714)	608,186
Cashflows (used in) / provided by operating activities	<u>(22,155)</u>	<u>80,484</u>

### 8 Trust Capital

Initial investment to establish the Trust	1,500,000	1,500,000
Additional capital contribution from the Association of Graduates in Early Childhood Studies Ltd	2,000,000	2,000,000
	<u>3,500,000</u>	<u>3,500,000</u>

### 9 Grants determined and paid during the year

Grants determined and paid during the year	<u>415,494</u>	<u>592,889</u>
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**The Foundation of Graduates in Early Childhood Studies**

ABN 58 833 071 672

**Trustees' Declaration**

The Trustees of the trust have determined that the Trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Trustees of the trust declare that, in their opinion:

- there are reasonable grounds to believe that the Trust 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 Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including giving a true and fair view of the financial position and performance of the Trust in accordance with the accounting policies described in Note 1 to the financial statements.

Signed in accordance with a resolution of the Trustees pursuant to Regulation 60.15 of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person ..... *Hugh hedges* .....

Dated this .....28th..... day of ...September..... 2021



## **Independent Auditor's Report To the Trustees of The Foundation of Graduates in Early Childhood Studies**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report, being a special purpose financial report, of The Foundation of Graduates in Early Childhood Studies (the Trust), which comprises the statement of financial position as at 30 June 2021, the statement of 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 trustee's declaration.

In our opinion, the accompanying financial report of The Foundation of Graduates in Early Childhood Studies, is 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 Trust's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 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 Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the trustees of the Trust at the same time as this auditor's report.

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

#### **Emphasis of matter regarding basis of accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the trustees' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

#### **Trustees' responsibility for the financial report**

The trustees of the Trust are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members.

## **Independent Auditor's Report To the Trustees of The Foundation of Graduates in Early Childhood Studies**

### **Report on the Audit of the Financial Report**

#### ***Trustees' responsibility for the financial report continued***

The Trustees are also responsible for such internal control as the trustees determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible for assessing the Trust'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 the trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

#### ***Auditor's responsibility 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 the 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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the trustees' 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 Trust'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 Trust 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.

**Independent Auditor's Report  
To the Trustees of The Foundation of Graduates in Early Childhood Studies**

**Report on the Audit of the Financial Report**

***Auditor's responsibility for the audit of the financial report continued...***

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.

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



**Nexia Melbourne Audit Pty Ltd  
Melbourne**



**Andrew S. Wehrens  
Director**

Dated this 28<sup>th</sup> day of September 2021