



Prom Coast Centres for Children Inc.

Reg. No: A0060784V ABN 70 956 155 799

Annual Report 2016

Prom Coast Centres for Children Inc.

Our Vision

To deliver high quality and accessible early childhood services that are inclusive and responsive to the needs of children and families of the Corner Inlet District.

Background

Prom Coast Centres for Children Inc are a not-for-profit community based incorporated association that operate Children's Education and Care services at 4 centres in the Corner Inlet District of South Gippsland, Victoria. The Centres are located in Fish Creek, Toora, Welshpool and Foster. A variety of Programs are offered at the Centres with Fish Creek and Toora Welshpool providing programs for children aged 3-5 and Foster providing programs for babies from 6 weeks of age through to children of 12 years of age.

This is the third annual report for Prom Coast Centres for Children and covers the financial year of operation 1st January 2016 – 31st December 2016.

Centres' Director's Report

Wilhelmina Pruyn

In 2016 Prom Coast Centre for Children (PCCC) celebrated 5 years of service in Foster. This 5 year period was a turbulent time for PCCC, however, finally in 2016 confidence for the future was realised. Our families are now reassured that our education and care services are here to stay.

Enrolments across all Programs and Services demonstrated growth, the greatest being in the School Holiday Program (SHP). Children now attending the SHP started in the Dolphin Room in 2011 and the support this Program provides to working families during the school holidays is vital.

The SHP is growing from strength to strength. With our strong links to the community, children participating in the SHP are offered a fantastic range of activities. By engaging local community specialists across a wide range of areas, the program is always diverse and provides some great excursions outside the Foster Centre. The South Gippsland Shire Sustainability Program explores some fantastic concepts for this age group and is always a highlight on the Program.

Our first year of Kindergarten Central Enrolment Scheme through the South Gippsland Shire was successful. With good promotion and active encouragement through our networks most families had secured their Kindergarten places by June 2016. Implementation of the documentation and processes associated with the new State Government Immunisation legislation was a learning curve for PCCC administration and our families.

Our Fish Creek Service offering 3 and 4 year old Kindergarten continued to further develop its nature pedagogy program, with the commencement of their Wilderness site visits. The service works closely with the Terrill Park Management Committee to ensure the Wilderness site is well maintained and a safe place to explore and grow. A successful South Gippsland Shire grant further supported the Wilderness Site with a fence to define the area. Fish Creek Kindergarten hosted a very well attended professional development opportunity on documentation and programming for educators across South Gippsland and a Korean delegation of University educators eager to see nature play at its best!

An exceeding rating at the Toora Kindergarten in demonstrated a commitment by the educators at this service to sustained improvement across all areas of service delivery. Working with the local Primary Schools Toora/Welshpool, kindergarten educators commenced participation in an Oral Language Project with the support of Federation University. The Welshpool Kindergarten continues to support the local Playgroup by providing a safe and central meeting place for young families from this part of our cluster. The Maternal Child Health trial service at this site was a great initiative to attempt to support the access for families to these vital services.

Being able to fully implement the PCCC Organisational Structure, (which we have been working towards since 2015) was critical and by securing a Centre Leader for the Foster service will see PCCC Foster move forward in the area of Educational Leadership.

As the year progressed it was clear that demand for services in Foster was growing and that there was a need to begin the process of planning for the future. Priorities include: improved reception and administration areas, an additional childcare room and a multipurpose room. Whilst it is wonderful to have demand for services exceeding capacity, there will be much work ahead to build a business case and secure government funding to meet our growing needs.

South Gippsland Shire Infrastructure Funding for PCCC sites was prioritised for Fish Creek and planning for Centre improvements at Fish Creek have begun.

PCCC continued to evolve and grow as an organisation with the implementation of new resources to support its families and staff. The development of the Family Handbook for all services was vital and the Parental, Guardian and Volunteer Code of Conduct was also a necessary tool for staff and families and was recognised as an excellent guide by Early Childhood Services in the district.

Relationships with families are vital to our success and PCCC continues to work with all our families to support them with access to services and relevant information. Our Parent and Family Survey provided us with some excellent feedback that was used to support the development of our key priority areas for our programs and service delivery. Our Facebook page allows us to promote local community events to our families as well as promote and celebrate the fantastic fundraising efforts that continue to occur across all four services.

Staff continue to persevere with the demands of study and work, with 5 staff completing their Diploma of Early Childhood. Staff continue to challenge themselves by exploring new opportunities with their programming and exposing the children to a great range of educational areas. The children are their primary focus and it is rewarding to watch the caring and secure relationships that develop and the social and emotional confidence of the children thrive as they progress through each of our Programs.

PCCC educators and the CoM continue to strive for excellence in what we deliver and advocating on behalf of our families and their children to support the growth of early childhood services into the future throughout the Corner Inlet District. For that, I am proud and thankful.

President's Report

Ralph Hubbert (President)

In 2016 after another full year of operation, the Committee of Management (CoM), not only saw further consolidation of our business, but an appreciation of what it can become and what it can provide for its families and the community going forward.

PCCC is well serviced by a very talented and passionate group of volunteers whose aim is to uphold the organisation's vision. Thank you all the committee members both new and "old" for their support.

We are fortunate to have a strong linkage with the Council through Sally Baker and now Bart Ruyter's attendance at our meetings.

Thank you to the families who assist our staff in their endeavours and to the community groups who continue to support PCCC, your contributions are essential to our continued progress.

2016 saw a strong connection between the CoM and our four Centres through parent representation at committee level and presentations by educators at committee meetings. These presentations confirmed our educators professionalism, demonstrated their planning skills and their wish to achieve the best outcomes for the children and also their great passion for their chosen field of early years education.

The CoM greatly admires the dedication and contribution of our all of our staff, we especially would like to thank Wil for her continued passionate leadership. We wish to assure all our staff of our commitment to become an "Employer of Choice" and trust that as the staffing structure required to ensure the efficient operation of PCCC is put into place, that we will be able to support staff development through continued professional development opportunities.

The major task for the CoM this year was the completion of our Strategic Plan and Implementation Plan. Once these had been completed and our organisation had demonstrated 2 years of successful service delivery, it was timely to apply for Kindergarten Cluster Management Support through the Department of Education and Training Victoria. The kindergartens operated by Promontory Coast Children's Services had always been managed as a Cluster and PCCC Inc has never ceased to continue this model. A detailed application was submitted in 2016 to seek financial support to assist with providing this essential administration and management support to these Kindergarten services.

In 2016 we provided early childhood services for more families and we are planning for that trend to continue.

There is a role for you as members to help us service our families; being involved with your Centre through the necessary fund raising events and maintenance tasks are an important step to provide the best for our children, perhaps even a highly rewarding position on the CoM beckons!

Secretary's Report

Lucy Allsop

Committee of Management 2016

The following members are currently serving on the PCCC Committee of Management:

Office Bearers:

President:- **Ralph Hubbert** ,

Vice President: **Elisa Nudelman**

Secretary: **Lucy Allsop**

Treasurer: **Jessica Armstrong**

Ordinary Committee Members:

Parent Support Group Rep Fish Creek: **Shannon Gee**

Parent Support Group Rep Foster: **Lachlan Moon**

Parent Support Group Rep Toora & Welshpool: **Lisa Monod-de-Froideville**

General Committee: **Jillian Throckmorton, Lisa Cowgill, Kate Woodward, Gabbi Boyd**

The following members previously served on the PCCC Committee of Management in 2016: Allison Drury (resigned at AGM), Geoff Cooling (did not restand at AGM).

Conflicts of Interest

PCCC as an Incorporated Association and Registered Charity is required to declare any possible Conflicts of Interest (both actual and perceived) of its Committee of Management. In all of the following cases the committee are satisfied that no actual conflict has occurred, however for the purposes of transparency they are being openly declared.

Elisa Nudelman – an experienced HR consultant who, since election to the CoM in June 2014 to the completion of her term in March 2017, has provided considerable hours of advice on a voluntary basis. In order to reduce its reliance on volunteers for critical business skills PCCC intends to advertise for a HR support package in 2017. Elisa may consider providing a proposal for these services.

Jessica Armstrong – family links to Armstrong Quality Carpentry who have performed minor maintenance work at Centres'. South Gippsland Water are providing a financial assistance package to PCCC; Jessica is the Finance Manager at SGW however, the assistance package tasks will be carried out by SGW's Financial Accountant not Jessica.

Lachlan Moon – employed by and has family links to Moons Bus Lines. PCCC have used Moons Bus Lines for transport as part of the School Holiday Program.

Jillian Throckmorton – family links to Throckmorton Carpentry who have previously performed minor maintenance work at the Centres'.

Treasurer's Report

Jessica Armstrong

Results for the year ended December 2016 show a profit for Prom Coast Centres for Children. With a breakeven goal, the result is favourable to expectations and is predominantly due to the growth in demand for childcare places (in addition to a rate increase) and additional funding received for Toora and Welshpool kindergartens, compared with the prior year.

Challenges occur in Long Day Care to balance the demand for child care places with available staff both in a permanent and casual capacity. In addition, full capacity has been reached on several days of the week, demonstrating the need for the Committee to consider the opportunity to expand the Foster centre. The Committee will be pursuing this opportunity closely in 2017. The Committee remains hopeful of securing a further grant to assist in general operations (a decision pending from the Department of Education early in 2017). Plans to improve the facilities at Fish Creek Kindergarten are in progress and are to be conducted as part of the Shire's capital works program. Minor capital improvements were made to both Toora and Welshpool sites in 2016.

Analysis of PCCC's financial statements demonstrates a strong liquidity position, (2.86 current assets to every current liability), which means that PCCC is able to adequately cover financial commitments in the short term. Assessment of operating cash flows to net sales shows that PCCC has been able to generate 12c (or 12%) of cash on every dollar of revenue earned. Cash balances (including the term deposit) have increased compared to the prior year.

Special Purpose Financial Report
for the Period ended 31st December 2016

Schedule 1
Regulation 15
Form 1


Associations Incorporation Reform Act 2012

Sections 94 (2)(b), 97 (2)(b) and 100 (2)(b)


**Annual statements give a true and fair view of financial performance and position
of incorporated association**

We Lucy Allsop and Jessica Armstrong being members of the
committee of the Prom Coast Centres for Children Inc. certify that –

“The statements attached to this certificate give a true and fair view of the financial
performance and position of the above named association during and at the end of
the financial year of the association ending 31st December 2016.”

Signed: 

Date: 6 March 2017

Signed: 

Date: 6 March 2017

To the Members,

PROM COAST CENTRES FOR CHILDREN INC.

Scope

We have audited the attached special purpose financial report of Prom Coast Centres for Children Incorporated for the period ended 31st December 2016, comprising Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements. The Committee is responsible for the preparation and presentation of the financial report and the information contained therein, and have determined that the basis of accounting used is appropriate to the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

The special purpose financial report has been prepared for distribution to the members of the association for the purpose of fulfilling the Committee's accountability requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the members, or of any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all material respects the financial report is presented fairly in accordance with the accrual basis of accounting described in Note 1 to the financial statements.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion the financial report of the Prom Coast Centres for Children Incorporated presents fairly the assets and liabilities at 31st December, 2016 and the income and expenditure of the association for the period then ended in accordance with the basis of accounting described in Note 1 to the financial statements.



DUESBURYS GIPPSLAND

Peter F. Tilley

Chartered Accountant

Foster, 3960

27th February, 2017

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799

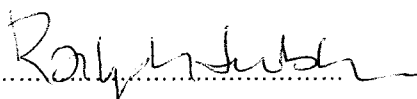
STATEMENT BY MEMBERS OF THE COMMITTEE


The Committee of Management has determined that the Association is not a reporting entity.

The Committee of Management has determined that this special purpose financial report comprising of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cashflows and Notes to the Accounts should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Committee of Management the special purpose financial report:

1. Presents fairly the financial position of Prom Coast Centres for Children Inc. as at 31st December, 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this Statement, there are reasonable grounds to believe that Prom Coast Centres for Children Inc. will be able to pay its debts as and when they become due and payable.

President 

Secretary 

Date 6th March 2017

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Total 2016 \$	Total 2015 \$
REVENUE FROM ORDINARY ACTIVITIES			
Grants	2a	495,297	484,095
Fees	2a	825,715	680,868
Other Income	2a	25,268	33,328
		<hr/>	<hr/>
TOTAL REVENUE FROM ORDINARY ACTIVITIES		1,346,280	1,198,291
EXPENDITURE FROM ORDINARY ACTIVITIES			
Employee Entitlements	2b	1,038,456	1,030,775
Supplies and Consumables	2b	18,560	19,741
Other Expenses	2b	150,209	134,030
Depreciation	3	49,300	41,998
		<hr/>	<hr/>
TOTAL EXPENSES FROM ORDINARY ACTIVITIES	2b	1,256,525	1,226,544
NET SURPLUS/(DEFICIT) FOR THE YEAR		<hr/> <hr/>	<hr/> <hr/>
		\$ 89,755	\$ (28,253)

This statement should be read in conjunction with the accompanying notes

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	Total 2016 \$	Total 2015 \$
ASSETS			
Current Assets			
Cash Assets	9	254,908	124,635
Receivables	4	16,725	22,266
Other Financial Assets	5	261,328	257,403
Total Current Assets		532,961	404,304
Non Current Assets			
Property, Plant & Equipment	12	129,143	149,230
Total Non-Current Assets		129,143	149,230
TOTAL ASSETS		662,104	553,534
LIABILITIES			
Current Liabilities			
Payables	6	78,056	68,412
Provisions	7	108,491	107,444
Total Current Liabilities		186,547	175,856
Non Current Liabilities			
Provisions	7	25,598	17,474
Total Non-Current Liabilities		25,598	17,474
TOTAL LIABILITIES		212,145	193,330
NET ASSETS		449,959	360,204
EQUITY			
Trust Funds	10a	7,500	7,500
Contributed Capital	10b	335,306	335,306
Accumulated Surplus	10c	107,153	17,398
TOTAL EQUITY	10d	449,959	360,204

This statement should be read in conjunction with the accompanying notes

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Total 2016 \$ Inflows/ (Outflows)	Total 2015 \$ Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Grants		506,827	560,174
Fees		839,745	656,291
Other Revenue		31,056	33,328
Payments			
Payments to Suppliers and Employees		1,179,395	1,169,944
GST Paid to ATO		34,821	23,696
NET CASH FLOWS FROM OPERATING ACTIVITIES	8	163,412	56,153
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment		(29,214)	(9,346)
Purchase of Investments		(3,925)	(104,290)
NET CASH USED IN INVESTING ACTIVITIES		(33,139)	(113,636)
NET INCREASE/(DECREASE) IN CASH HELD		130,273	(57,483)
CASH AT 1 JANUARY 2016		124,635	182,118
CASH AT 31 DECEMBER 2016	9	254,908	124,635

This statement should be read in conjunction with the accompanying notes.

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Retained Earnings 2016 \$	Retained Earnings 2015 \$
Opening Balance	360,204	388,457
Net Surplus / (Loss) for the year	89,755	(28,253)
Closing Balance	<u>449,959</u>	<u>360,204</u>

This statement should be read in conjunction with the accompanying notes

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared for distribution to members of the association for the purpose of fulfilling the committee's accountability requirements. The committee has determined that the association is not a reporting entity.

Basis of Preparation

The financial report is prepared in accordance with the historical cost convention, except for the revaluation of certain non-current assets and financial instruments, as noted. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of the Accounting Standards, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December, 2016

(a) Reporting Entity

The financial statements include all the controlled activities of the Association. The Association is a "not for profit" entity and therefore applies the additional Aus paragraphs applicable to "not for profit" entities under the Australian Accounting Standards.

(b) Rounding Off

All amounts shown in the Financial Statements are expressed to the nearest dollar.

(c) Receivables

Trade debtors are carried at nominal amounts and are due for settlement within 30 days. Collectibility of debts is reviewed on an ongoing basis. A provision for doubtful debts is raised where doubt as to collection exists.

(d) Other Financial Assets

Other Financial Assets are valued at cost and are classified between current and non-current assets based on the Association's Board of Management's intention at balance date with respect to the timing of disposal of each investment. Interest revenue from other financial assets is brought to account when it is earned.

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

(e) Revaluations of Non-Current Assets

Subsequent to the initial recognition as assets, non-current physical assets, other than plant and equipment, are measured at fair value. Plant and equipment are measured at cost. Revaluations are made with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at the reporting date. Revaluations are assessed annually as to their accuracy.

(f) Depreciation

The policy for 2016 has been altered to allow for management to capitalise assets less than \$500, for the purpose of tracking certain assets, e.g. mobile phones, computer equipment, etc. The threshold of \$500 serves as a guide whereas it was mandatory in 2015. Depreciation has been provided on depreciable assets so as to allocate their cost or valuation over their estimated useful lives to the association using the straight-line method.

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based -

	Year ended 2016	Year ended 2015
Leasehold Improvements	Per Lease Term	Up to 10 years
Office Equipment	Up to 10 years	Up to 10 years
Furniture and Fittings	Up to 10 years	Up to 10 years
Computers	Up to 7 years	Up to 7 years

(g) Payables

These amounts represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The normal credit terms are Net 30 days.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable, in which case it is recognised as part of the cost of acquisition of an asset or part of an item of expense or revenue. GST receivable from or payable to the Australian Taxation Office (ATO) is included in the Statement of Financial Position. The GST component of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

(i) Employee Benefits

Employee entitlements are based on pay rates current at balance date. On-costs, including workcover and superannuation, are included in the calculation of leave provisions.

Long Service Leave

The provision for long service leave is determined in accordance with Accounting Standard AASB 119. Unconditional Long Service Leave (representing seven years or more of continuous service for staff employed under the Childrens Services Award 2010 & VECTA Award (2009)) is disclosed as a current liability regardless of whether the entity expects to settle the liability within twelve months or not as it does not have the unconditional right to defer the settlement of the entitlement should an employee take leave. Conditional Long Service Leave for employees with less than the above periods of continuous service is recognised in the provision for employee benefits as a non-current liability and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to expected future wage and salary level, experiences of employee departures and periods of service.

Wages and Salaries, Annual Leave and Accrued Days Off.

Liabilities for wages and salaries, annual leave and accrued days off are recognised, and are measured as the amount unpaid at the reporting date in respect of employee's services up to that date.

Personal Leave

Personal Leave entitlements are not accrued in the financial statements as it is anticipated that sick leave to be taken in future reporting periods will be less than the entitlements which are expected to accrue in those periods.

(j) Revenue Recognition

Revenue is recognised in accordance with AASB118. Income is recognised as revenue to the extent it is earned. Should there be unearned income at reporting date, it is reported as income in advance.

Government Grants

Grants are only recognised when there is a reasonable assurance that the entity will comply with the conditions attaching to the grant and are recognised as income over the periods necessary to match them with the related costs.

Day Care and Kindergarten Fees

Day Care and Kindergarten fees are recognised as revenue at the time invoices are raised.

Donations and Other Bequests

Donations and bequests are recognised as revenue when the cash is received.

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield of the financial asset.

(k) Impairment of Financial Assets

Financial Assets have been assessed for impairment in accordance with Australian Accounting Standards. Where a financial asset's fair value at balance date has been reduced by 20 per cent or more than its cost price, or where its fair value has been less than its cost price for a period of 12 months, the financial instrument is treated as impaired.

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2016

NOTE 2a: REVENUE FROM ORDINARY ACTIVITIES

	Total 2016 \$	Total 2015 \$
Grants - DEECD	396,995	362,888
Grants - Shire	12,000	12,948
Grants - Childcare Support	34,755	44,296
Grants - Small Regional Kindergartens	40,890	30,860
Grants - Other	10,658	33,103
Childcare Fees (Including CCR and CCB)	732,815	612,922
Kindergarten Fees	92,900	67,946
Interest	8,049	6,425
Donations	1,350	-
Fundraising	14,353	25,621
Other Revenue	1,516	1,282
	<hr/>	<hr/>
TOTAL REVENUE FROM ORDINARY ACTIVITIES	1,346,280	1,198,291

NOTE 2b: OPERATING EXPENSES

	Total 2016 \$	Total 2015 \$
Employee Entitlements		
Salaries and Wages	921,888	864,528
Workcover	17,702	23,213
Long Service Leave Accrued	-	10,316
Superannuation	84,280	78,418
CEO Contract Fees	-	33,846
Sundry Staff Expenses	14,586	20,454
	<hr/>	<hr/>
	1,038,456	1,030,775
Supplies and Consumables		
Food Supplies		-
Program Costs	18,560	19,741
	<hr/>	<hr/>
	18,560	19,741
Other Expenses		
Consultancy	2,400	-
Advertising	1,747	1,291
Audit Fees	5,700	4,350
Accounting & Bookkeeping	6,997	-
Bank Charges	2,722	2,828
Cleaning	50,549	44,414
Electricity	16,298	14,140
Fundraising Expenses	8,351	18,389
Subscriptions	5,138	5,635
Printing, Postage & Stationery	6,044	9,055
Computer Expenses	2,548	903
Rent & Rates	1,330	3,844
Telephone	7,995	7,549
Insurance	1,770	3,013
Repairs and Maintenance	24,522	9,305
Sundry Expenses	6,098	9,314
	<hr/>	<hr/>
	150,209	134,030
Depreciation (refer Note 3)	49,300	41,998
	<hr/>	<hr/>
	49,300	41,998
TOTAL OPERATING EXPENSES	1,256,525	1,226,544

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2016

NOTE 3: DEPRECIATION

	Total 2016	Total 2015
	\$	\$
Leasehold Improvement	3,651	
Office Equipment	7,222	7,081
Furniture	36,236	34,391
Information Technology	2,191	526
	<u>49,300</u>	<u>41,998</u>

NOTE 4: RECEIVABLES

	Total 2016	Total 2015
	\$	\$
CURRENT		
Fee Debtor	14,290	20,929
Accrued Interest Income	756	767
Prepayments	1,677	570
TOTAL	<u>16,725</u>	<u>22,266</u>

NOTE 5: OTHER FINANCIAL ASSETS

	Total 2016	Total 2015
	\$	\$
CURRENT		
Bendigo Bank Term Deposit	253,828	249,903
Bendigo Bank Term Deposit - Meikle Trust	7,500	7,500
TOTAL	<u>261,328</u>	<u>257,403</u>

NOTE 6: PAYABLES

	Total 2016	Total 2015
	\$	\$
CURRENT		
Creditors	6,163	6,931
Accruals	20,255	17,103
GST Payable	10,494	6,776
Income in Advance	18,619	22,767
PAYG Withholding Payable	9,986	8,474
Superannuation Payable	12,539	6,361
TOTAL PAYABLES	<u>78,056</u>	<u>68,412</u>

PROM COAST CENTRES FOR CHILDREN INC.
ABN: 70 956 155 799
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2016

NOTE 7: PROVISIONS

EMPLOYEE BENEFITS	Total 2016	Total 2015
	\$	\$
CURRENT		
Long Service Leave	46,897	41,994
Annual Leave	61,594	65,450
TOTAL CURRENT	<u>108,491</u>	<u>107,444</u>
NON-CURRENT		
Long Service Leave	25,598	17,474
TOTAL NON-CURRENT	<u>25,598</u>	<u>17,474</u>
Long Service Leave		
Balance of Long Service Leave (beginning)	59,468	43,187
Provision made during the year	15,226	16,281
Payments made during the year	(2,200)	-
Balance of Long Service Leave - 31 Dec	<u>72,494</u>	<u>59,468</u>

**NOTE 8: RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES
TO OPERATING RESULT**

	Total 2016	Total 2015
	\$	\$
Surplus (Deficit) for the Year	89,755	(28,253)
NON CASH MOVEMENTS		
Depreciation	49,300	41,998
Term Deposit Interest	(3,925)	
Increase/(Decrease) in Payables	-	25,486
Increase/(Decrease) in Employee Entitlements	9,171	31,375
Increase/(Decrease) in GST Payable	3,718	(1,439)
(Increase)/Decrease in Receivables	5,542	(13,014)
NET CASH USED IN OPERATING ACTIVITIES	<u>153,561</u>	<u>56,153</u>

NOTE 9: RECONCILIATION OF CASH

	Total 2016	Total 2015
	\$	\$
CASH ON HAND		
- Bendigo Bank Trading Account	253,317	122,865
- Bendigo Bank Debit Account	14	192
- Bendigo Bank Kindergarten Accounts	1,578	1,578
	<u>254,908</u>	<u>124,635</u>

PROM COAST CENTRES FOR CHILDREN INC.
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NOTE 10: RECONCILIATION OF CHANGES IN EQUITY

	Total 2016 \$	Total 2015 \$
a) Trust Funds		
Balance at Beginning of Period	7,500	7,500
Transfers from related entity	-	-
Balance at end of Period	<u>7,500</u>	<u>7,500</u>
b) Contributed Capital		
Balance at Beginning of Period	335,306	335,306
Balance at end of Period	<u>335,306</u>	<u>335,306</u>
c) Accumulated Surpluses		
Balance at Beginning of Period	17,398	45,651
Net Result for the Year	89,755	(28,253)
Balance at end of Period	<u>107,153</u>	<u>17,398</u>
d) Equity		
Total Equity at Beginning of Period	360,204	388,457
Total changes Recognised in the Income Statement	89,755	(28,253)
Balance at end of Period	<u>449,959</u>	<u>360,204</u>

Uniting Care Gippsland previously ran the childcare centre and the four kindergartens in the group. However they advised the parents and other interested parties that they were unable to continue to do this due to financial sustainability issues for their organisation. The local community formed an association and with the assistance of the shire and the local community bank resolved to take over the operations. Underlying this takeover was a memorandum of understanding between the two parties that saw not only the transfer of the furniture and office equipment, treated as capital contributed by UCG above, but also the transfer of funds and accumulated surpluses held by UCG but raised by the previous umbrella group of the four kindergarten services being Promontory Coast Children's Services Inc.

This is shown as capital contributed from related parties above.

The Meikle Trust represents a formal trust of monies left by Alice Rosina Meikle, of which the income may be used but the initial investment must be maintained.

NOTE 11: CONTINGENT ASSETS & LIABILITIES

There are no known contingent assets or contingent liabilities at balance date.

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NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	Total 2016 \$	Total 2015 \$
OFFICE EQUIPMENT AT COST		
Office Equipment at Cost	41,722	41,149
Less: Accumulated Depreciation	<u>(18,974)</u>	<u>(11,751)</u>
Total Office Equipment	<u>22,748</u>	<u>29,398</u>
FURNITURE		
Furniture at cost	185,397	175,106
Less: Accumulated Depreciation	<u>(93,372)</u>	<u>(57,136)</u>
Total Furniture	<u>92,025</u>	<u>117,970</u>
INFORMATION TECHNOLOGY		
Information Technology at cost	7,106	2,388
Less: Accumulated Depreciation	<u>(2,717)</u>	<u>(526)</u>
Total Information Technology	<u>4,389</u>	<u>1,862</u>
LEASEHOLD IMPROVEMENT AT COST		
Leasehold Improvement at Cost	13,632	-
Less: Accumulated Depreciation	<u>(3,651)</u>	<u>-</u>
Total Leasehold Improvement	<u>9,981</u>	<u>-</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>129,143</u>	<u>149,230</u>

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	Office Equipment \$	Furniture \$	Information Technology \$	Total \$
Opening balance 1/1/2016	29,398	117,970	1,862	149,230
Additions	572	10,291	4,718	15,582
Depreciation Expense (refer Note 3)	7,222	36,236	2,191	45,650
Balance as at 31/12/16	22,748	92,025	4,389	119,162

	Office Equipment \$	Furniture \$	Information Technology \$	Total \$
Opening balance 1/1/2015	35,197	146,685	-	181,882
Additions	1,282	5,676	2,388	9,345
Depreciation Expense (refer Note 3)	(7,081)	(34,391)	(526)	(41,998)
Balance as at 31/12/15	29,398	117,970	1,862	149,230

NOTE 13:- SUPERANNUATION

The name and details of the major employee superannuation funds and contributions made by the Association are as follows:

FUND	Contribution for the period	
	2016 \$	2015 \$
Australian Super	26,666	28,360
Hesta	27,557	21,809
Rest	8,538	10,790
Hostplus	5,405	4,755
MLC Masterkey Super	4,510	3,671
Other	11,604	9,033
	<u>84,280</u>	<u>78,418</u>

NOTE 14: COMMITMENTS

There are no capital commitments at year end

NOTE 15 RELATED PARTY DISCLOSURES

Board of Management		Appointed	Resigned
Ralph Hubbert	Chair	18-02-2014	
Allison Drury	Chair	18-02-2014	18-04-2016
Lucy Allsop	Secretary	18-02-2014	
Elisa Nudelman	Vice President	30-06-2014	
Jessica Armstrong	Treasurer	18-02-2014	
Geoff Cooling		18-02-2014	18-04-2016
Jillian Throckmorton		18-02-2014	
Kate Woodward		11-08-2014	
Lachlan Moon		20-04-2015	
Lisa Cowgill		20-04-2015	
Lisa Monod-de-Froideville		25-05-15	
Shannon Gee		05-10-15	
Gabrielle Boyd		18-04-16	

Executives

Wilhelmina Pruyt	26-05-15
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Executive Remuneration

The number of Responsible Persons are shown in their relevant income bands.

Income Band	2016	2015
\$0 - \$9,999		
\$20,000 - \$29,999		
\$30,000 - \$39,999		1
\$40,000 - \$49,999	1	

NOTE 16: REMUNERATION OF AUDITORS

	2016	2015
	\$	\$
Audit Fees	5,700	4,350

