

Sample Budget 2000-2001

Projected Expenditure

	Budget presented in application \$	Budget prepared by consultant \$	Comments
Salaries	22,000	16,695 10,693	1 x permanent part time x 30hrs x 42 wks @ \$13.25/hr overall 20hrs x 42 weeks @ average \$12.73/hr (casual rate) See Note 1
Annual Leave		1,279	Relates to 1 permanent part time position See Note 2
Annual Leave Loading	150	223	
Superannuation	1,360	1437	8% See Note 3
Workers Comp Insurance	820	820	
Insurance – General	450	450	GSCH estimates at 33% of total for house
Water Rates etc.	450	300	GSCH estimates as 46% of total for house
Electricity	300	300	GSCH estimates at 33% of total for house
Postage	75	75	
Stationery	250	250	
Telephone	500	500	GSCH estimates at 20% of total for house.
Bank charges	40	40	
Photocopier expenses	75	75	
Plant and Equipment > \$300	334	0	
Consumables	300	300	
Cleaning	800	800	
Furniture and Equipment	200	200	
Repairs and maintenance	550	550	
Audit fees	100	100	
Peak Organisation	520	520	
Bookkeeping	875	875	
Reception	3000	(3000)	Deleted in this budget See Note 4
Sundries	650	(650)	Deleted in this budget See Note 5
Provisions			
LSL	270	333	Relates to 1 permanent part time position
Provision Sick Leave Relief		392	Relates to 1 permanent part time position for actual hrs of operation
TOTAL	34,069	37,207	

Projected income

Funding Source	Budget presented in application \$	Budget prepared by consultant \$	Comments
Commonwealth Department of Family and Community Services	11,000	10,616	Commonwealth Occasional Care Funding for a crèche worker 2000-2001 See Note 6
Crèche Fees	5,250	5,775	This amount represents a fee of \$1.10 per child per hour of care and an overall increase of 10% attendance. See Note 7
Crèche Contracts	5,000	5,000	This amount represents the portion of funding received from organisations such as the Health Department for provision of a crèche for children whose parents are participating in funded activities. See Note 8
Family and Children's Services Occasional Care Funding	3,300	3,315	Annual Grant approved for a period of two and a half years to provide 2080 hours of child care per year. See Note 9
Family and Children's Services Family Support Program Funding		10,181	This amount represents 18% of the FSP Grant. See Note 10
Family and Children's Services Peak Grant	520	520	
City of Joondalup	6,695		
Amenities Fee		800	This amount represents 20% of the projected income from Amenities fees paid by GSCH users on each occasion of use See Note 11
Private donation	1,000	1,000	See Note 12
TOTAL PROJECTED INCOME	32,765	37,207	
TOTAL PROJECTED EXPENDITURE	34,069	37,207	
SURPLUS (DEFICIT)	(1,304)	-	

Note 1:

No details were available to indicate the basis of the salary budget developed by GSCH, nor were last financial year's actual expenditure figures available. In the sample budget salaries have been estimated on the basis of information provided by GSCH about the operation of the crèche. On this basis, the salary component of the budget is higher in the sample budget than in the GSCH crèche budget. It is understood that a total of 5 crèche workers are employed. All are apparently paid at the same rate (\$13.25 per hour). One crèche worker is employed on a permanent part-time basis for 6 hours per day for 42 weeks. The other four workers are employed on a casual basis for the hours during which the crèche operates. The following table shows the hours of operation and an example of staffing levels for Term 3 2000. The number of children present generally varies between 5 and 18 per session. Staffing levels vary depending on the actual number of children in attendance. On occasions there are large numbers of 0-2 year olds in attendance which requires a ratio of 1 crèche worker per 4 children and 2-3 year olds which requires a ratio of 1 crèche worker per 5 children.

Day	Morning	Afternoon	Total staff hours
-----	---------	-----------	-------------------

	Program	Staffing	Hours	Program	Staffing	Hours	
Monday	Playgroup	• 1 permanent part time	3				• Permanet part time 3
Tuesday	Positive Parenting	• 1 permanent part time • 2 casuals	3 2 x 2hrs	Young Mums	• 1 permanent part time • 4 casuals	3 4 x 2hrs	• Permanet part time 6 • Casual 12
Wednesday	SKIPS	• 1 permanent part time • 2 casuals	3 2 x 2hrs	PND Support	• 1 permanent part time	3	• Permanet part time 6 • Casual 4
Thursday	PND Support	• 1 permanent part time • 2 casuals	3 2 x 2hrs	Self Esteem	• 1 permanent part time • 2 casuals	3 2 x 2hrs	• Permanet part time 6 • Casual 8
Friday	PND Support	• 1 permanent part time • 3 casuals	3 3 x 2hrs	Playgroup	-	-	• Permanet part time 3 • Casual 6
Total							• Permanet part time 30 • Casual 30

The service indicated that staff:child ratios are maintained in accordance with the Community Services (Child Care) Regulations. No written records of attendance X age groupings were reviewed and no assessment was made to determine whether the most efficient staffing ratios are maintained. An assumption has been made in the projected budget that staffing requirements will not be identical over 42 weeks of the year, and that it is probable that casual staff expenditure could be reduced while still maintaining staff:child ratios in accordance with regulations which would explain the lower budget estimate for staff in the GSCH budget.

Note 2:

In the GSCH budget Annual Leave is identified as a separate item. In the sample budget, it is assumed that only the permanent part time crèche worker is entitled to Annual Leave and that all other workers receive a 20% casual loading.

Note 3: Superannuation applies to the permanent part time crèche worker and casual workers whose gross wage is over \$100 per week. The rate is 8% from 1 July 2000.

Note 4:

It is not practice for occasional care services to employ a receptionist. The budgeted amount included in the draft budget papers has therefore been deleted in this sample budget.

Note 5:

The budgeted amount included for Sundries in the draft budget papers has been deleted on the basis that the projected budget should accommodate all anticipated expenditure items.

Note 6:

It was confirmed with the Commonwealth Department of Family and Community Services that the funding level for the crèche for the 2000-2001 financial year is \$10,616 and that the service is identified on the Department's data base as an occasional care service. In GSCH budget income of \$11,000 was identified.

Note 7:

The fee of \$1.10 per child per hour identified by GSCH in its Term 3 Program represents an increase of 10cents. GSCH indicated that the fee increase was GST related. It should be noted that child care fees are GST free and that both Commonwealth and State are funding GSCH to provide occasional child care. No information has been sought from the ATO to ascertain whether a crèche is treated in the same as a child care service for GST purposes.

It appears that the fee level and the income derived from fees have not varied over the past 3 years. While the fee of \$1.10 per hour per child is still lower than fees generally charged for Occasional Care in Western Australia, the additional payment of the amenities fee by all adult users of the house brings the crèche fee into closer alignment with other services. (See Note 11)

In the sample budget the new fee of \$1.10 per child per hour has been used and an increase of 10% attendance projected. It is assumed that the increased attendance will be accommodated within the budget for staffing.

Note 8:

This amount represents funding received from other sources for provision of the crèche (eg North Metropolitan Health Services, Mofflyn). Other agencies (eg Disability Services Commission) do not include any contribution to the operation of the crèche. The Disability Services Commission SKIP Grant is only for the salaries of a Social Worker and Occupational Therapist.

Note 9:

Family and Children's Services Occasional Care funding of \$3,315 for provision of 2080 hours of care per annum has been approved for a period of two and a half years. Extrapolating from this funding level, Granny Spiers Community House would receive \$12,852 if its current crèche operation (an estimated 8064 hours of care ie.24 hours per week for 42 weeks for an average of 8 children per session throughout the year) was funded through the Family and Children's Services Occasional Care Program. This represents \$1,079 less than the total funds received from Commonwealth Department of Family and Community Services and State Family and Children's Services Occasional Care (\$13,931) and suggests that Granny Spiers Community House Inc. receives a higher level of Government funding than other Occasional Care services.

It is recognised that a crèche differs from an occasional care service in that parents are present on the premises where a crèche is offered and parents are generally not on the premises at an occasional care service.

Note 10:

Granny Spiers Community House receives approximately \$56,000 from State Family and Children's Services for the operation of the Family Support Program, of which the crèche is an integral component. In information provided to Council officers, Granny Spiers Community House (Inc.) identified approximately 40% of overall house operating costs as being related to the operation of the crèche. Family and Children's Services have indicated that it is legitimate for Family Support Program funds to be used in the operation of the crèche. In the sample budget, 18% of the Family and Children's Services Grant has been allocated as crèche income. No allocation has been made to the crèche from Family and Children's Services Financial Counselling funding. The amount of \$10,181 identified as crèche income could equally be allocated from across all funded programs given that the crèche is integral to each individual program area. **If the GSCH estimate of all crèche workers' salary related costs (\$23,780) is accurate and is \$7,272 less than the estimate in the sample budget (\$31,052), then the**

contribution towards the operation of the crèche from Family Support Program or other funds would be reduced to \$2,909 (5% of the FSP grant).

Note 11:

Everyone who attends an activity at Granny Spiers Community House pays an amenities fee of \$1.65 per attendance. The income from Amenities Fees is projected to be \$4000 which represents 2,424 occasions of use. The amenities fee is considered to be a contribution towards overall running costs of the community house. Given that crèche costs are estimated to be 40% of total house costs, in the projected budget, 20% of income derived from amenities fees have been included as income in the crèche budget.

Note 12:

It is noted that this is a one off donation made specifically for the operation of the crèche.