



**C&K** Pre-schooling  
Professionals  
Since 1907



**Annual Report 2011**



C&K  
acknowledges and  
pays its respects to the  
traditional custodians of the  
lands on which our central office  
and services across Queensland  
and Australia are placed, and their  
continuing connection to land,  
sea and community. C&K also  
acknowledges and pay  
respects to all Elders -  
past and present.

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# Overview of 2011

The following highlights and challenges are just a few that C&K experienced during 2011.

## Key highlights

- 240 Kindergarten project funded by the Queensland Government opened 11 new kindergartens across Queensland. This project was a key election promise to increase access to kindergarten (pre-prep) programs for more Queensland children and to improve the participation rates from approximately 33% in 2010 to 95% by 2014. The project continued with the focus of opening 65 new C&K kindergartens for 23 January 2012. The magnitude of the project cannot be underestimated, and C&K met the challenge to ensure all 65 kindergartens had staff, fit-outs of high quality and most importantly children enrolled for day one of term one 2012. By 31 December 2011, the new C&K kindergartens scheduled to open on 23 January 2012 had achieved 65% enrolment and were on track to open.
- The C&K Early Childhood Annual Conference, held over two days at the Brisbane Convention and Exhibition Centre in May 2011 attracted 500 delegates and more than 50 speakers and 25 exhibitors. The conference theme, "Living in a child's world" featured many leading early childhood speakers.
- A special general meeting on 18 October 2011 achieved a milestone in the 104 year history of C&K with members voting to approve the change to the legal structure of C&K from "letters patent" to "public company limited by guarantee". This will take effect from 1 July 2012.
- Transition to branch services occurred with two affiliated services, East Mackay and Moranbah kindergartens joining C&K as branch services.
- *C&K Building waterfalls* teaching and learning guidelines for kindergarten second edition was approved by Queensland Studies Authority in September 2011. The separate "birth to three years" guideline was produced for the first time.

## Key challenges

- Although not all voluntarily, approximately 50 services left C&K for an alternative central governing body. This was challenging and a disappointing time for the C&K board, management and staff as the relationships and services which relied on the high standards of C&K for many years left during a time of great change in the early childhood sector.
- Rising costs for families is a constant issue for C&K. As a not for profit organisation, C&K always prioritises children and any impact felt by families as a result of changing daily fees is acknowledged. C&K strives to offer the highest quality early childhood education and care services balanced with the need for ongoing viability.
- The decision made by C&K board and management to close two under-utilised services was not easy nor taken lightly. Ensuring a sustainable and viable organisation that can continue the 104 year tradition of excellence in early childhood education and care is a priority for C&K.





## President's report

Whereas my 2010 Report covered C&K's activities in "preparing the community kindergarten sector to adapt positively to the new world of deregulation and reform," the year under review has been spent primarily in ensuring the Association itself is in the best possible position to support the community early childhood education and care sector in progressing towards a sustainable future.

Following Professor Geoff Kiel's review and a special general meeting of the Association held on 18 October 2011, it was agreed that C&K would move to a new legal structure; a Public Company limited by guarantee. This change is in line with modern governance requirements and reflects most other large not for profit organizations. The new structure brings C&K under the same financial and legal requirements as any Australian public company and strengthens the integrity and transparency of the Associations' operations. The legal transition, scheduled for 1 July 2012, will confirm the "coming of age" for C&K and provide a stronger bastion for branch and affiliated services alike.

Associated with the new structure is a new Constitution that among other aspects includes the creation of a Board Nominations Committee whose task is to identify potential members of the community for consideration for election to the C&K Board. This responsibility will be critical to ongoing Board renewal and recruitment as existing Board members now have a maximum tenure of twelve years service.

C&K wishes to thank three Board members who completed 77 years of outstanding combined service and who retired from the C&K Board during 2011; they have left behind a lasting legacy to C&K and to children. Robert (Bob) Mills served as a Board member for over 35 years including the positions of Treasurer and Senior Vice President. Bob was elected as a Life Governor in 2006. John England completed

22 years service, Treasurer from 2001 and elected as a Life Governor in 2011. Jennette Lavis OAM, completed 20 years service including as the nominated Board member with early childhood qualifications, chair of the former Children's Services Council and was also elected as a Life Governor in 2011. As President, I was extremely honored to also be appointed as a Life Governor at the 2011 Annual General Meeting of the Association.



In addition, in 2011 the Board initiated a new Audit and Finance committee tasked with oversight of C&K's Budget status, risk management and audit responsibilities. The committee, chaired by BDO partner Bernard Curran, has assisted the senior management group in their pleasing achievement of a near forecast 2011 financial result.

Partnering with the state government to implement the Universal Access reforms has led to some "growing pains" for C&K including such aspects as administration facilities, IT capacity and overall staffing. Accordingly the Board resolved to sell the Valley childcare site and, combined with other funds, redeploy the proceeds to develop a new Early Childhood Centre for Excellence. In joint partnership with the Hear and Say Centre the Association has purchased part of the previous Ithaca TAFE site. The existing buildings will be refurbished to include administration facilities, a small conference venue and an early childhood training facility encompassing a demonstration kindergarten and childcare service with an outdoor environment designed on the European nature

kindergarten philosophy. This exciting venture, that we hope to open early in 2013, will translate the latest international thinking in early childhood to an Australian context.

The Ithaca project will be a strong foundation for C&K's 2012-14 Strategic Plan endorsed by the Board late in 2011. The new Plan supports the transition to our new legal structure and sets out clear performance indicators. With the concise mission of "Where Children Come First" supported by our vision of "Fulfilling Childhood" C&K's intent and purpose is unambiguous.

During 2011 the Management Committees Forum for affiliated services and the Parent Advisory Groups Forum for branch services met most months. Both forums provided the opportunity for relevant stakeholders to raise current issues and receive up to date responses. The forums provided excellent opportunities for two way dialogue between parents and the Board. I sincerely thank Angie Russian and Laurel Zaicek for their respective chairing and forum representation on the Board.

On behalf of all government funded kindergartens, childcare services, Family Day Care services and Outside School Hours Care programs I sincerely thank, on a state level, Premier Anna Bligh, Education Ministers Geoff Wilson and Cameron Dick, and Director General of the Department of Education and Training, Julie Grantham. Federally our appreciation goes to Kate Ellis MP - Minister for Employment Participation and Minister for Early Childhood and Childcare and Peter Garrett, MP - Minister for School Education, Early Childhood and Youth

Finally, I would like to thank my fellow Board members, office bearers and committee chairs for giving their expertise and time so generously to support children. Special thanks to C&K CEO, Barrie Elvish, for his strong leadership during the past year, as well as his dedication and advocacy for children. Thanks also to the senior management team who so ably represent the Association throughout Australia and all C&K staff who professionally contribute to the care and education of the children entrusted to us.

2011 has been a year of significant change and considerable achievement for the C&K family; a situation I believe will continue in 2012. Sixty-five new kindergartens will join our family next year making C&K the largest provider of early childhood education and care in Queensland. It is a wonderful privilege to have so many children entrusted to C&K and obliges us all to ensure children come first in all our thinking and actions.

[Adjunct Professor Mary Mahoney AO](#)

MBBS Qld, Hon MD, Qld, Grad Dip Clin Ed UNSW, FRACGP, FAIM, FAMA  
**President**



Children come first in all our thinking and actions. It is a wonderful privilege to have so many children entrusted to C&K and obliges us all to ensure children come first in all our thinking and actions. It is a wonderful privilege to have so many children entrusted to C&K and



# Chief Executive Officer's report

In March 2012 Encyclopaedia Britannica announced that after 244 years and seven million copies all hard copy production would cease. Just as digital photography killed off Kodak film in 2004 the advent of Wikipedia has led to the demise of a product always considered invulnerable.

Unlike the two corporate leviathans above the early childhood education and care sector in Queensland has demonstrated it is not impervious to change. Notwithstanding some specific isolated concerns, in general C&K affiliated and branch services have managed successfully through significant sector changes as a result of the federal government's universal access reform agenda and the state government's kindergarten funding changes.

With pre-prep programs now available across the sector traditional kindergartens were faced with increased competition for children, staff and resources. To a large degree these challenges were offset by the availability of legacy funding, government advertising and increased demand. However, many centres will continue to experience ongoing viability issues until such time as the limited funding for children with special needs is addressed, the ability to enrol three year olds is determined and true funding equity is applied across all settings. These issues will be taken up with the new government during 2012.

During 2011 C&K advisers have toured the state presenting many workshops supported by online materials to assist services understand and implement the new National Quality Framework guidelines. This support will continue until such time that all services are capable and comfortable with the required responses.

C&K member services have also been kept very busy throughout 2011 providing advice to our 218 members on a myriad of issues including, finance, governance, human resources and data collection. This support is readily available by phone, newsletter, online and visit(s) depending on circumstance.

C&K achievements for 2011 include successfully advocating for increased funding for children with special needs, additional financial support for smaller part time services, particularly in regional and remote areas, and towards the end of the year a small increase for all children enrolled in a kindergarten program regardless of context.

From a curriculum perspective C&K was thrilled to receive endorsement from the Queensland Studies Authority for the second edition of *C&K Building waterfalls* (Bw). This approval is formal recognition of C&K expertise and leadership in the early childhood sector and affirmation to all who contributed their knowledge and practical experience to the new version and all educators who now implement the Bw philosophy.

All not for profit services rely on the support of parents and the local community in which they are embedded. It is often too easy to take for granted the efforts of our many volunteer parent groups, management committees, fundraisers, working bee participants, newsletter editors, community supporters and donors, et al. On behalf of all our children, educators and C&K, THANK YOU for all your efforts.

Community early childhood services, branch and affiliate, are the mainstay of their local community; they act as a catalyst for the creation of social capital. "It takes a Village to raise a child" is an old proverb well known to early childhood practitioners; however it is just as appropriate to believe "It takes a child to create a community."

**Barrie Elvish**

BA, Dip Ed, Grad Dip Bus Admin, MBA, GAICD, JP  
**Chief Executive Officer**



The image features two large, stylized numbers, '2012' and '2014', arranged in two rows. The top row contains '2012' and the bottom row contains '2014'. Each digit is filled with a vibrant, multi-colored watercolor texture, transitioning through shades of orange, yellow, blue, and purple. The numbers are set against a plain white background.

The C&K Strategic Plan captures the priorities of a growing organisation where children will always come first. In 105 years of early childhood education and care, C&K has touched the lives of more than one million children and their families. Ensuring the future of C&K delivers benefits for all children in the crucial early childhood years, the C&K Strategic Plan vision, mission and values are embedded throughout all goals and strategies.

## Our vision

**A childhood fulfilled**

## Our mission

*Where children come first*

## Our values

### Play fairly

We are respectful, transparent and honest in how we communicate with each other and in our decision-making. In our interactions we act ethically and fairly.

### Play imaginatively

We are a progressive and flexible organisation which embraces change in a sustainable way. We espouse quality and we value research.

### Play together

We work together to achieve our mission, vision and shared goals.

### Play responsibly

We are proud of our history and optimistic about our future. Our profits are reinvested to benefit children. Our people are important to us; we support them to have work life balance.

### Play best

We strive to succeed and encourage others to do the same.

### Play nicely

We care for each other. We are welcoming, collegiate, compassionate, supportive, nurturing and warm and provide a safe environment in which to work.

## Our goals

**1**

Deliver great outcomes for children by having a responsible portfolio of early childhood services that meets contemporary community needs.

**2**

Be recognised as the leader in the early childhood education and care environment.

**3**

Have strong partnerships with our communities.

**4**

Establish sound and transparent governance and leadership practices.

**5**

Deliver services aligned with resources.

**6**

Establish strong internal capabilities.

# Board of management report

## Patron

Her Excellency, Ms Penelope Wensley AC, The Governor of Queensland

## Principal activities

The principal activities of the Association during 2011 were:

- To provide support and advocacy for community managed early childhood services in Australia;
- To undertake this role by monitoring standards in affiliated services, administering public funds and operating its own branch services;
- To represent the interests of the sector through forums and media exposure; and
- To advocate for, and promote children's interests.

## Significant changes

The significant changes that occurred in 2011 include:

- Opening new branch services
- Completion of the strategic plan 2012 - 2014
- Special general meeting to vote for the new legal structure of Public Company Limited By Guarantee, effective 1 July 2012
- Sale of property in Fortitude Valley

## Operating result

The net result for the Creche and Kindergarten Association of Queensland amounted to a net operating surplus (before depreciation) of \$2,015,014.

## Life governors

Mr John England

Hon Professor Peter Fardoulis AM

Mr Robert Ferguson

Mrs Jeanette Lavis OAM

Pauls Limited

Adj Professor Mary Mahoney AO

Mr Robert Mills

Mrs Faye Wright

## Lawyers

Shand Taylor Lawyers

## Auditors

HLB Mann Judd

## Attendance at the Board meetings/Special Board meetings in 2011 (14 meetings)

Adjunct Professor Mary Mahoney AO	President	14
Mr Robert Mills	Senior Vice President (resigned April 2011)	5
Hon Professor Peter Fardoulys AM	Senior Vice President (from May 2011)	13
Dr Noelene McBride	Vice President (from May 2011)	8
Mr John England	Treasurer (resigned February 2011)	0
Mr Barry Salmon	Treasurer (from May 2011)	10
Mr Tom Kettleton	Member	9
Mrs Jennette Lavis OAM	Member (retired April 2011)	5
Mr Bill Lowah	Member	10
Mrs Angie Russian	Chair C&K Management Committees Forum	13
Mrs Laurel Zaicek	Chair C&K Parents' Advisory Group Forum	13
Mr John Sneddon	Legal Adviser Ex-Officio	11

### The following C&K Board members departed their positions during 2011.

Mr Robert Mills was a General Member to mid 2011, served 35 years on the C&K Board with positions as Treasurer and Senior Vice President, elected Life Governor in 2006.

Mr John England completed 22 years service, Treasurer from 2001 and elected as a Life Governor in 2011.

Mrs Jennette Lavis OAM, completed 20 years service including as the nominated Board member with early childhood qualifications and was also elected as a Life Governor in 2011.

## Board of Management Profile



From the left, Mr Tom Kettleton, Mr John Sneddon, Mrs Angie Russian, Mr Barry Salmon, Adjunct Professor Mary Mahoney AO, Mr Barrie Elvish, Mrs Laurel Zaicek, Mr Bill Lowah, Hon Prof Peter Fardoulys AM, (Dr Noelene McBride absent).

## Adjunct Professor Mary Mahoney AO

MBBS Qld, Hon MD, Grad Dip Clin Ed,  
FRACGP, FAIM, FAMA

### President

Adjunct Professor Mary Mahoney is a general practitioner and was director of the Royal Australian College of General Practitioners Training Program for 25 years. In January 2009 she was appointed Adjunct Professor, School of Medicine, University of Queensland. She has been a member of the C&K Board of Management for many years and president since 2000. Prior to this, Professor Mahoney was a member of the Brisbane Kindergarten Teachers' College Council. She is Deputy Chancellor of the University of Queensland Senate and Deputy Chair of the Brisbane Girls Grammar School Board of Trustees. Having four children and three grandchildren, Professor Mahoney recognises the importance of early childhood education and understands how vital the first five years of a child's life are. At C&K, she believes we are privileged to have the opportunity to influence children's experiences in helping them achieve their full potential and to be happy, healthy and well adjusted.

## Hon Prof Peter Fardoullys AM

LFAIB, Dip Mech & Elec Eng, JP

### Senior Vice President

Peter Fardoullys' interest in C&K dates back more than four decades when he first held a position on the C&K Board in 1967 and is now a Life Governor of C&K. Peter is managing director of Fardoullys Constructions. In October 2007 he was appointed Honorary Professor (Building & Construction) at Central Queensland University and is the past National President of the Australian Institute of Building. He is a member of the Royal Brisbane & Women's Hospital Research Foundation and recently retired from the Opera Queensland Board. Peter was an Olympic Torch Relay Runner at the 1956 Olympic Games in Melbourne and the 2000 Olympic Games in Sydney. In recognition of his services to the building industry and fundraising in the community, Peter has been the recipient of the Queen Jubilee Medal (1977), Centenary Medal (2003) and Member of the Order of Australia (2005).

## Dr Noelene McBride

Dip KT, B Ed, M Ed St, PhD

### Vice President

For more than 36 years Dr Noelene McBride has been involved in many aspects of early childhood education and care and worked in a range of early childhood settings, on committees and reference groups. She has worked in kindergartens, preschools, childcare centres and primary schools in Australia and overseas and taught early childhood tertiary students. She is passionate about advocating for young children and working to provide highly qualified teachers for all children in early childhood programs.

## Board of management profile continued

### Mr Barry Salmon

Dip T, BA, B Ed, M Ed St, FAIM

#### **Treasurer**

Barry Salmon first became involved with C&K in the early nineties when his children attended a C&K service. His involvement grew through his work with the former Children's Services Council of C&K. Barry has 25 years experience working in the education sector in a range of roles including teacher, curriculum developer, university lecturer and senior manager. He is currently the Assistant Commissioner for Children and Young People and Child Guardian where he advocates strongly in promoting the rights, interests and wellbeing of Queensland's children. He believes that C&K's commitment and dedication to young children is unique in today's world

### Mr Tom Kettleton

JP (cde), M Lab Studies UQ, Grad Dip Secondary Studies ACU

#### **Member**

Tom is the managing director of a Queensland tourist transit and bus transport company. He has wide and varied community experience in industrial relations, specializing in the early childhood education field. Tom has been involved with C&K since the early 1980's when his children attended C&K services. Tom is a strong supporter of 4 year university trained early childhood teachers advocated for by C&K.

### Mr Bill Lowah

#### **Member**

Bill Lowah has been prominent in social justice and community based organisations in Queensland for more than 31 years. As a Torres Strait Islander, he brings an Indigenous perspective as well as a vast breadth of knowledge and networks from the grassroots, people-centred organisations that enrich Queensland. He has worked in the area of training in both the public and private sectors.

## Mrs Angie Russian

## Mrs Laurel Zaicek

## Mr John Sneddon

BA, Grad Dip Mgt, M Mgt

LLB

### **Chair, C&K Management Committees Forum**

As the mother of three boys, Angie became involved with the C&K Dayboro Community Kindergarten in Dayboro, north of Brisbane, when her first child started in 2005. From 2007 to 2009 Angie became president and after 3 years changed her role in 2010 to become the C&K Liaison Officer. In 2008 Angie became the chairperson of the C&K Management Committees Forum. After 4 years in this position and now that her boys all in Primary school, Angie has stood down from this role and is now a general board member for C&K. Originally from Newcastle NSW, Angie worked in radio and advertising for eight years before being transferred to work at Triple M Radio Brisbane in 2000 as promotions manager. After meeting her husband Tony and having her first child in 2002, she left radio and is now involved with the local community in Dayboro including P&C President at her children's primary school. Angie believes that C&K has been an important role in her children's lives and continues to help them and other children gain independence and self confidence throughout play.

### **Chair, C&K Parent Advisory Groups Forum**

Laurel is a project manager and business analyst. She is the current chairperson of the C&K Parent Advisory Groups Forum and represents C&K branch centres on the Board. As a mother of four small children, Laurel became involved with C&K when her eldest child began attending a C&K kindergarten in 2007. Laurel has worked in a variety of management roles for airlines in Brisbane, Sydney and Dubai. She is now actively involved at Yelangi Kindergarten and St Lucia Kindergarten in the inner western Brisbane suburbs. Laurel has seen the benefits a C&K early childhood education can offer young children and is passionate about C&K continuing to ensure accessibility and affordability for all children.

### **Legal Advisor Ex Officio**

John Sneddon is a lawyer and partner at Shand Taylor Lawyers. John attends C&K board meetings as a non-voting co-opted member and provides legal advice to the Board. John has been acting for C&K for more than nine years and has a background in industrial relations law, commercial litigation, discrimination law and defamation law. John has a strong interest in the legal issues affecting the early childhood education sector and is the father of three young children. John is a member of the Queensland Law Society, the Industrial Relations Society of Queensland, the Australian Lawyers Alliance and the International Commission of Jurists.

# Management Committees Forum

The C&K Management Committees Forum (Council for Community Kindergartens and Childcare Centres) provides an opportunity for affiliated kindergarten committees to share concerns, raise issues and be informed on matters relating to C&K centres.

2011 proved to be another big year for the C&K Management Committees Forum. With many more changes occurring for kindergartens throughout the year including the introduction of new Central Governing Bodies (CGB). The Forum provided committees an opportunity to find out the latest information and advice on how to effectively move forward.

Attendees at the eight Forums were keen to receive as much information as possible and to offer advice on what they were doing in their kindergartens. It was great to see people were willing to come along to “another meeting” to further educate their kindergartens with the information that was being presented.

Due to my local kindergarten choosing to go with another CGB in May 2011, I was unable to represent the forum on the C&K Board. However I was nominated and elected as a general board member of C&K at the Annual General meeting in the same month. As we were unable to find another chairperson I retained the forum chair position for the remainder of the year.

C&K CEO Barrie Elvish attended our March AGM as well as our monthly meetings for a quick update and Q&A session. I know that our members found his time invaluable. Receiving the latest information right from the top and the ability to voice concerns and receive direct answers. The Forum was also lucky enough to have C&K representatives attend each month for a quick update about Member Services, Human Resources and curriculum updates.

The Forum would not be able to be so effective without the support of many people. I would especially like to thank Jacqui Du Payne, Kylie Dawson and Ruth Firkins from C&K Central. Their guidance and support helped the forum to grow through the year. On a personal note a special thank

you to Brenda Gilbert and Yvonne Ward who attended every meeting since I took on the role of chairperson. Your advice and experience definitely helped many members of the forum.

Lastly, I would personally like to thank the C&K Board Members and CEO for encouraging and supporting the C&K Management Committees Forum. Members have made it very easy to allow myself to speak up and give a parent’s perspective on many issues throughout the year.

I have enjoyed being a part of the C&K Management Committees Forum over the past four years and I am looking forward to another exciting year as a board member of C&K.

**Angie Russian**

Chair

**C&K Management Committees Forum**



# Parent Advisory Groups Forum



I was honoured to again be elected Chair of the Parent Advisory Groups (PAG) Forum and represent C&K branch services on the C&K Board. Robert McRuvie and Adam Elmore were elected as Deputy Chairs for the year 2011.

The Forum met on a monthly basis with the aim to both inform and be informed about issues facing our Branch services and their PAGs. We held information sessions on topics such as IT, marketing and grants. This year the Forum focused on two major issues facing kindergartens:

1. Universal funding for Universal Kindergarten Access; and
2. Funding for kindergarten children with special needs.

Under the Federal Government's commitment to Universal Access the aim is to provide access to an early childhood education program for all children, in the year before full-time schooling. Since Universal Access, long day care centres and kindergartens can now offer comparable, government funded educational programs. The two are hardly treated as equal however, when seen from the cost point of view of families.

The Federal Government defines kindergartens as "Registered Care" which results in families being ineligible to apply for the Childcare Benefit (CCB) or Childcare Tax Rebate (CCR) for out of pocket expenses. Conversely a family sending their child to a long day care service, defined as "Approved Care", which offers an equivalent kindergarten program are eligible for these government payments. This is not an equitable, universal application of funding for Universal Access.

Barrie Elvish and I met on this point with the Federal Minister for Education. It was disappointing to receive little Federal Government support on this issue and the current funding models will continue to place significant financial pressure on families choosing to send their children to not for profit community kindergartens.

For Universal Access to be truly universal, kindergarten programs must be universally affordable and government benefits must be fairly and equitably applied.

Special Needs funding was discussed by Barrie Elvish, other Board members and I during meetings with Federal and State Ministers throughout the year. Thank you also to Robert McRuvie for his work in regards to this issue. The State Government announced an increase of \$500,000 to special needs funding last year, providing a total of \$1.1 million. This amount however, still only represents 51% of applications for special needs funding being met. There is still a significant amount of work to go in this regard.

Thank you to Robyn Hine and Trudy Brook at C&K for their invaluable assistance, support and advice throughout 2011.

**Laurel Zaicek**

Chair

**C&K Parent Advisory Groups Forum representative**

# Children's Services

2011 started in challenging circumstances with the flood devastation across Queensland and cyclone Yasi crossing the far north coast.

C&K branch services across Queensland suffered various levels of damage and periods of closure. C&K Yuingi Community Childcare Centre in Brisbane's western suburbs sustained the most significant damage as two metres of water from the Brisbane River inundated the entire site. The damage was devastating for staff of the service and their community. However the service for staff and community came together to completely clear the site in one day, which provided a great jump start for the rebirth of C&K Yuingi.

A great deal of work was completed to ensure all the enrolled families had an alternative C&K service to call home while rebuilding occurred. The centre reopened for normal operations on Monday March 21, 2011.

A sincere thank you goes out to all C&K staff and their respective communities for the passion displayed in returning services to operation in the shortest possible time period.

A great deal of work was completed to ensure all the enrolled families had an alternative C&K service to call home while rebuilding occurred.

## Branch Services

C&K welcomed East Mackay Kindergarten and Moranbah Kindergarten as branch services. The two well established kindergartens are a great addition to the C&K branch family for regional Queensland. Together with the 11 new kindergartens opened on state school sites at the beginning of 2011 the additional services ensure early childhood education and care remains strong for Queensland's children.

The introduction of the new funding scheme and the criteria for services to be eligible for funding was met with a positive outlook from all services. The changes have improved access for children across the state to a kindergarten program. The changes also meant that C&K needed to adjust some branch kindergarten models to best meet the community needs.

Throughout the year, C&K divested several Branch services. The Australian Capital Territory services were transitioned to another operator once the lease that C&K held came to an end. C&K Valley Community Childcare Centre was sold to prepare for the development of the C&K Centre for Excellence, a key outcome of our strategic plan. Other services which closed included C&K Sunshine Beach Outside School Hours Care and C&K Albert Park Community Kindergarten. A change to the operating structure of occurred for C&K Maroochydore Occasional Care to a long day care service.





## Curriculum and professional development

It was with much anticipation that C&K published the *C&K Building waterfalls (Bw)* teaching and learning guideline second edition for kindergarten and a separate guideline for birth to three years in late 2011. Uncle Albert Holt provided the opening words to the second edition of *Bw*. Through consultation and collaboration, C&K has refined and embedded Aboriginal as well as Torres Strait Islander histories and perspectives within the second edition.

The Queensland Studies Authority endorsed the *Bw* second edition as an approved kindergarten program in September 2011. The second edition was released with a full calendar of professional development for 2012 with a variety of support materials and resources. C&K published the first *Bw* books for children "All in a day's play." Two story books for children aged birth to three and kindergarten, written for children, by children, as they are about to begin their early childhood education and care journey.

The C&K Early Childhood Advisory team had an active year visiting branch and affiliated services across Queensland. Professional development was supported with conferences and workshops offered in all major regional towns. Workshops were also offered in smaller rural locations and plans developed to expand this offering in 2012. The expanded workshop program will cover the professional development needed to support educators in their understanding of *Bw*.

## New early childhood support

The addition of an Early Childhood Advisor to support educators working with children with special needs has expanded the support the team can offer to all service types and educators. An Early Childhood Advisor for Sustainability has been conducting environmental audits in many of the services and with funding from Department of Environment and Heritage Protection has supported services to begin to reduce their carbon footprint and work towards financial savings.

## National Quality Framework (NQF)

Improving quality outcomes for all children is an exciting opportunity for all service providers nationally. C&K preparations began early with the establishment of an NQF project team. Communicating the changes to our services was high priority in the second half of 2011. A road show across Queensland and the Australian Capital Territory throughout September introduced the new NQF to all services.

## Solar Kindergartens

C&K received funding from the Queensland Government to assist in the roll-out of their Solar Kindergarten Program to branch and affiliated services. In 2011, 134 branch kindergartens and 91 affiliate kindergarten services received solar panels at no cost.

## Grants

In 2011 C&K applied for a number of community grants available to our sector. A total of \$1,410,332 was received by C&K branch services from the Gambling Community Benefit Fund. The grants were applied for by individual services to improve fixtures and fittings. Many more funding schemes are available, and are applied for by C&K services each year.

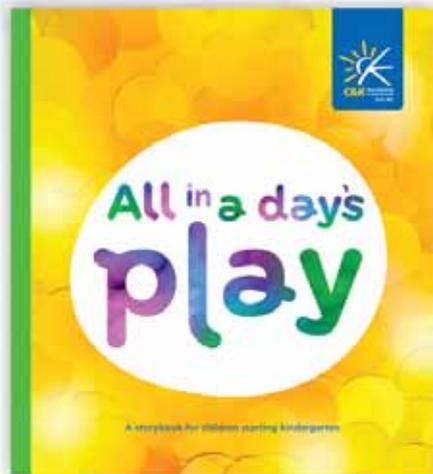
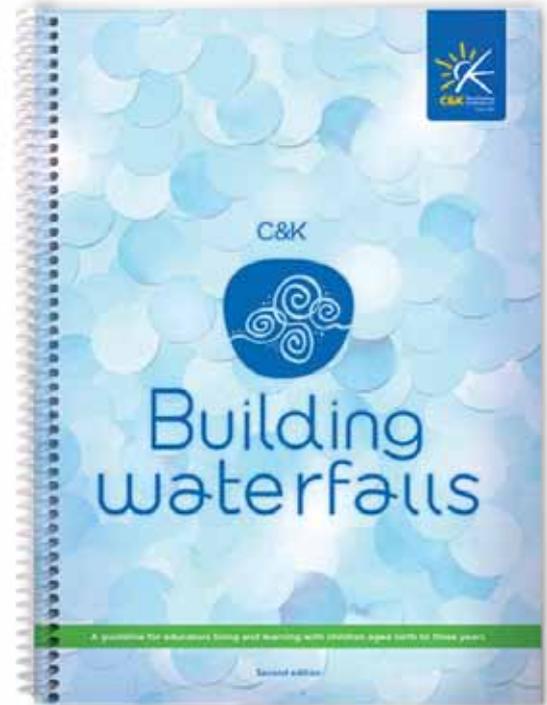
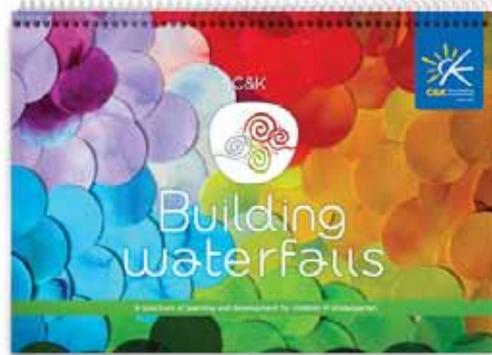
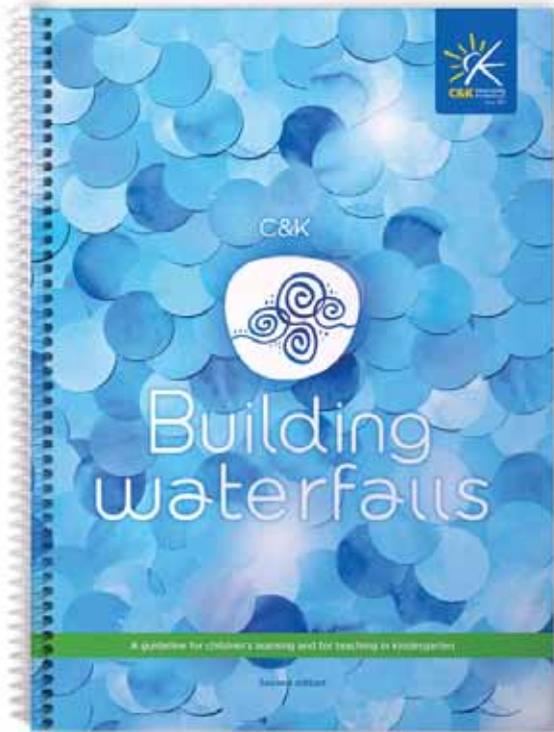
## Workplace Health & Safety

C&K conducts three quarterly workplace health and safety inspections of all branch services each year. The annual survey is self completed by services and in 2011, 56% of branch services met the deadline to complete the survey. C&K services record significantly lower levels of lost time frequency rates (LTIFR) compared to total Queensland and Australian rates. Continuous improvement is a priority for C&K in the area of workplace health and safety with significant improvements made to reporting requirements and provision of relevant information to improve processes at the service level.

## Mel Comerford

B.Teach (ECE)

**General Manager Children Services**



## Member Services



In early 2011 C&K was appointed by the Queensland Department of Education and Training (DET) as one of five central governing bodies (CGB) to support kindergarten services to provide quality kindergarten programs through the Queensland Kindergarten Funding Scheme (QKFS).

The Member Services team was created in 2011 to provide assistance and support for all branch, affiliate and associate services in administering all funding needs. As a CGB, C&K provides support and training to affiliate services, for both volunteer parent management committees and educational support for teachers. The change to the QKFS required many affiliate services to implement improvements to meet the new requirements. 218 affiliate and associate kindergarten services signed a three year service agreement with C&K together with 75 branch kindergarten services.

In addition, 20 C&K long day care services were eligible to receive QKFS funding via the universal access program. An additional 10 applications were submitted to DET and have been approved for funding from the beginning of January 2012.

Kindergarten program providers	Number of services in 2011
Branch	75
Affiliate	214
Associate	4
Long day care	20 (+10 applications approved to commence from January 2012)



### Key highlights

- The establishment of the C&K Member Services team
- All service's receiving their QKFS funding in accordance with the publishing funding distribution cycle
- Establishment of the branch, affiliate and associate intranet sites
- Creation and rollout of C&K email addresses for all affiliated committees
- Publishing of a specific monthly newsletter for affiliated committees and services
- Delivery of the following face to face road shows in over 20 locations:
  - committee governance, roles and responsibilities
  - understanding the 15 hour requirement and how this may affect staff agreements
  - national qualify framework
- Delivery of monthly management committee forums
- All C&K services completed the annual Queensland Government Census (a prerequisite to receiving kindergarten funding)
- 125 professional network meetings
- 497 service visits
- 11 workshops and professional development days
- 4 regional conferences
- More than 10,000 contacts with services and committees either face to face, by phone, email or letter
- 2 teleconferences and 2 e-learning opportunities for provisionally registered teachers

In 2011, the Member Services team has established a strong professional service capacity providing all services with high standards in customer service in the complex area of funding. This will continue to benefit all services that have signed with C&K as their central governing body.

**Jacqui Du Payne**

B.Bus (Accountancy)  
**Membership Manager**

# Aboriginal & Torres Strait Islander Programs

In 2011, the C&K Aboriginal and Torres Strait Islander (A&TSI) Programs Unit supported special projects, the independent A&TSI Kindergartens, their Committees, families and children. The Unit also worked with C&K business units to ensure accountability of outcomes and that Aboriginal and Torres Strait Islander perspectives were embedded organisation wide.



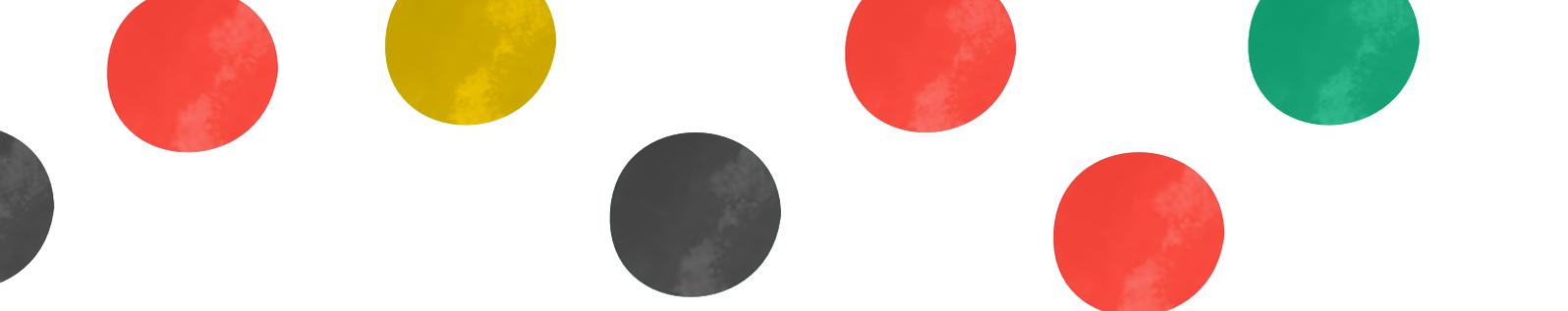
C&K Aboriginal and Torres Strait Islander projects and programs include:

- 43 Kindergartens - 36 Affiliated and 7 Branches
- Family Support Programs - Caboolture (both Indigenous specific and mainstream)
- Intensive Supported Playgroups - Halls Creek, WA
- Dhagun Gur Resource Library
- Early Childhood Advisors
- Management Committee Advisor
- Mainstream services including Finance, Branch Operations, HR, Business Advisory, C&K College and Marketing

In 2011 C&K Aboriginal and Torres Strait Islander Programs Unit also gave input into the following projects:

- Reconciliation Action Plan (RAP)
- Cultural Celebrations and Events
- Aboriginal and Torres Strait Islander Employment and Recruitment Strategy





### Key Highlights:

1. An additional 19 Kindergartens were added to our Aboriginal and Torres Strait Islander Kindergartens Cluster. These services include: Atherton; Babinda; Bayview; Beaudesert Early Years Centre Kindergarten; Cairns; C&K Sunset; C&K Slade Point; Dimbulah; Eileen Fisher; Innisfail; Julia Creek; Kuranda; Mareeba; Mossman; Ravenshoe; Tully; Whitfield; Yelang; and Yorkey's Knob.
2. Project implementation & progress – Halls Creek and Caboolture: Due to the overwhelming success of both the Halls Creek and Caboolture programs, the Service Agreement was renewed for another three years. The projects were successful in a number of areas; notably, both programs took part in invaluable community networking. For example at Halls Creek the program Coordinator helped establish an Early Years Network, made up of professionals working in key child-related agencies in the Halls Creek area to ensure coordinated service delivery to children and families. Such a network has never previously operated in the town and is already resulting in great outcomes for children.
3. Aboriginal and Torres Strait Islander Employment and Retention Strategy: C&K signed the Australian Employment Covenant, pledging to secure sustainable jobs for Aboriginal and Torres Strait Islander people throughout C&K. A working party was then formed to develop an Aboriginal and Torres Strait Employment and Retention Strategy. The strategy aims to create a path towards employment and training opportunities for Aboriginal and Torres Strait Islander people across C&K services and offices and provide a career path. The draft strategy was developed in 2011, with the final endorsed document to be officially launched in 2012.
4. Our Aboriginal and Torres Strait Islander kindergartens have excelled at meeting the new National Quality Framework elements around cultural competency.

### Key Challenges:

1. With increased numbers of kindergartens added to the cluster, there was a need to support these services, requiring more travel and a higher workload. These issues were managed through clustering together visits to services that were located in near proximity and increasing email and phone communication.
2. Staff changes within the Aboriginal and Torres Strait Islander Programs Unit and the kindergartens were another challenge for 2011. Effective recruitment strategies ensured quality staff were employed in all positions.
3. Natural Disasters: Flooding in the Kimberly, Western Australia in 2011 postponed the mobile playgroup for a number of weeks. The Coordinator, who was trapped in another town and unable to return to Halls Creek, overcame this difficulty by running temporary playgroups for local Aboriginal families in the nearby town of Kununurra. Some of our services were affected by the January 2011 floods, which impacted on children's ability to access the services.
4. There was increased demand from non-Indigenous services for cultural advice, due to the cultural competency requirements within the National Quality Standards. To respond to this need, a number of projects to support the embedding of Aboriginal and Torres Strait Islander services were planned for 2012.

The C&K Aboriginal and Torres Strait Islander Programs Unit continue to provide extensive support, mentoring and advice to help build relationships and ensure cultural awareness remains a priority for the organisation.

#### Sarah Callinan

B.Ed (Secondary), M.Ed (School Guidance & Counselling)  
**Aboriginal & Torres Strait Islander Programs Manager**

# Human Resources

The growth of C&K with new services opening in 2011 has been demonstrated in the increase of new staff, at services and in the central office. A focus on improving processes, communication and providing ongoing professional development for all staff was implemented to minimise the challenges of the rapid growth of the organisation.

In 2011, the 240 kindergarten project saw 11 new kindergartens opened and a further 65 new kindergarten services planned for 2012, this is more than 150 new staff. Employee turnover remains reasonably constant and employee absenteeism continues to be low. The percentage of permanent staff within C&K increased from 71% in 2010 to 75% in 2011.

## Key highlights

- Recognition from the Equal Opportunity for Women in the Workplace Agency as “Employer of Choice for Women” for the third consecutive year. C&K was one of 12 organisations in Queensland and 99 nationally that have received this honour for 2011. This recognition is awarded to organisations that are acknowledged to have in place programs that recognise, support and advance their female workforce.
- The launch of a refreshed recruitment brand, “Come Play with Us”, that highlights the *C&K Building waterfalls* second edition and reflects the C&K brand.

## Agreements

- Negotiation of one Enterprise Agreement approved by Fair Work Australia and covers the staff members in all C&K branch kindergartens.
- The recruitment team negotiated an agreement with a recruitment agency, which resulted in a significant cost saving in agency fees.

## Payroll

- Following the introduction of the online relief staff booking and scheduling system in 2010, 2011 involved Human Resources ensuring this system is now integrated with our payroll system to assist in simplifying the process for all involved. On average in 2011, 93% of all relief staff shifts within our services were filled with our own pool of casual staff through the system.
- A salary packaging program was created and the implementation project commenced, an additional benefit for our team members.

## Aboriginal & Torres Strait Islander strategies

- Commenced work on strategies to increase the number of Aboriginal and Torres Strait Islanders working within C&K, including making a commitment through the Australian Employment Covenant.



#### Professional development

- The launch of C&K eAcademy eStore, which is an expansion of the staff C&K e-learning system, introduced in 2010. This system allows all affiliated staff and committees to access C&K custom courses, as well as hundreds of compliance training, personal and professional development courses.
- The launch of the first online Induction course, by which all new C&K staff members are enrolled in and required to complete as part of their employment with C&K.
- A component of the C&K leadership program commenced, which involved six mid-level managers commencing and completing an eight month intensive management course, the "Australian Applied Management Colloquium".
- Expansion of the Trainee and Apprentice program to include business/administration nationally recognised qualifications for C&K clerical and central staff members. This program involved 19 successful completions in 2011.

#### Amber Simpson

**B.Bus (Human Resources Management)**  
**General Manager Human Resources**

The percentage of permanent staff within C&K increased from 71% in 2010 to 75% in 2011.



# C&K College of Early Childhood

In 2011 the C&K College of Early Childhood (College), a registered training organisation in early childhood, enrolled 150 new students in a range of programs. The majority of enrolments were in the Certificate III in Children's Services course, followed closely by the Diploma in Children's Services.

A number of significant programs and partnerships with Government organisations provided opportunities for new students to enrol with the College. In total just under 100 early childhood qualifications were issued by the College.



## Key highlights

### Preferred supplier

Throughout 2011 the College operated two Queensland Government User Choice contracts; Queensland Government "User Choice 2010-2015" and "User Choice Continuing Students". Both contracts enable the College to continue to be a preferred supplier for employers of apprentices and trainees assisting in the facilitation of strategic directions of C&K and the early childhood community. The results of the program are displayed in the graph below.

### Productivity Places Program

The "Existing Workers Productivity Places Program" finished on 30 November 2011. The C&K commitment to improving the skills of a specialised workforce and investing in career pathways within C&K services was successful with a total of 88 students involved in the program.

### Skilling Solutions Queensland

The "Skilling Solutions Queensland" program recommenced in September 2011. The purpose of this program enables students with years of experience and skills in early childhood to receive recognition towards a formal qualification. This program is integral to supporting the "Recognition of Prior Learning Initiative for the Early Childhood Workforce" which the Queensland Government developed to train and retain a quality early childhood workforce.

### Strategic Investment Fund Partnership

A key objective for the College is to improve the skills, productivity and leadership of our existing and future early childhood workforce. This is based on the C&K understanding of the diversity of the skills needed to undertake each key occupation, especially in regional and remote areas in Queensland. In November 2011 the College was awarded a VET Contract for the "Strategic Investment Fund".

### Access Program Initiative

In September 2011 the College formed a partnership with Job Seeker Agency (JSA) Campbell Page to provide a framework in support of a working relationship, training partnership and placement opportunities for its community based clients. The program is currently underway with 15 participants.

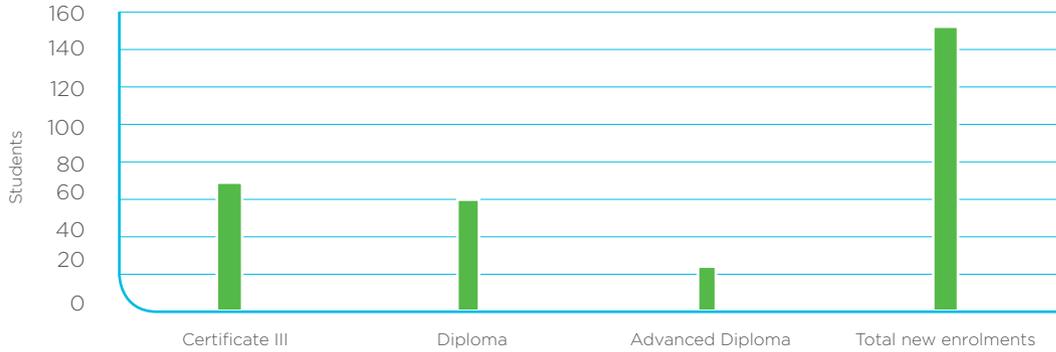
The College offers leading early childhood qualifications and continues to look for new ways to deliver programs to fit in with a student's lifestyle, such as online learning through C&K eAcademy. This ensures students from all geographic areas have the same level of access and options which will ultimately ensure they remain committed to their study and graduate to enter the workforce.

### Marice Simpson

B.Teach, B.Ed, B.EC, CertIV in Assessment & Training  
**College Manager**

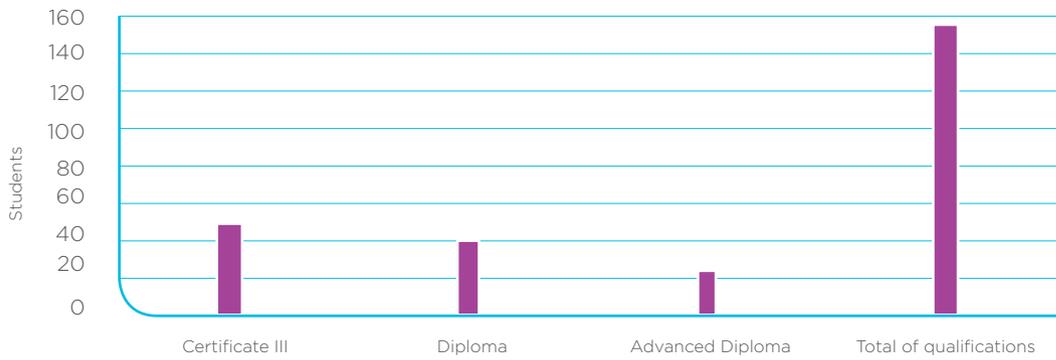
### New enrolments for 2011

Qualifications



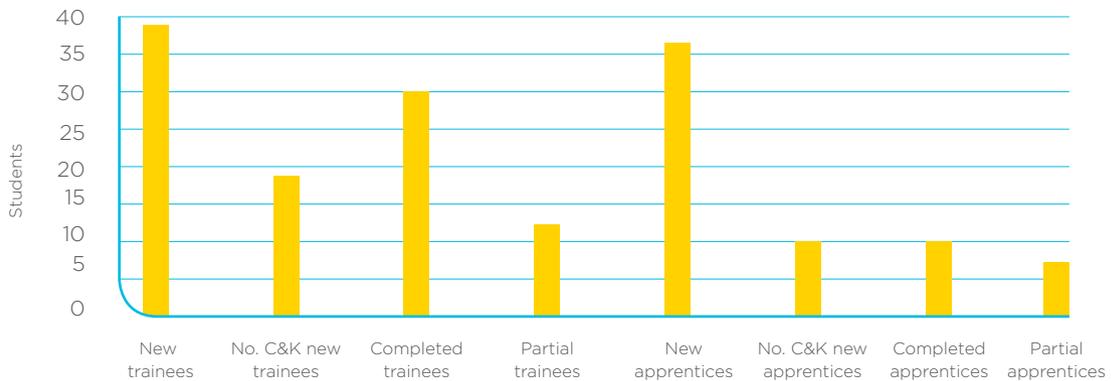
### Qualifications issued in 2011

2011 Breakdown of Qualifications Issued



### User Choice program

User Choice program



# Marketing and Communications



The marketing team underwent significant change and growth during 2011. A renewed focus on internal service, assisting the Kindergarten Project team and supporting services, branch and affiliate, has improved the C&K brand awareness throughout Queensland.

Enabling and assisting the existing branch services while preparing for the opening of 65 new kindergartens required significant planning, teamwork, analysis and ensuring the budget was used effectively to achieve the desired outcomes – increased enrolments and waiting list applications for 2012 and beyond.

In March 2011, C&K sought the services of an external marketing consultancy to develop a strategy to create the launching pad for the remainder of the 2011 marketing activities. Reviewing and providing marketing collateral to assist in the promotion of the Kindergarten Project, all branch and affiliate services, C&K College of Early Childhood, Aboriginal and Torres Strait Islander Programs and general C&K branding was a major activity for the first half of the year.

## Advertising

In 2011, C&K conducted significant advertising throughout Queensland. The purpose was to maximise the brand awareness of C&K, leverage from the Queensland Government “kindergarten” advertising campaigns and ultimately increase enrolment numbers for the new 65 kindergartens opening in 2012 as well as existing branch and affiliate services. Historically, advertising has been managed by individual services, which can lead to inconsistent messages and cost inefficiencies. The new approach has been well received by services.

## Media mentions

From July to December, C&K was mentioned the media (press/radio/TV) approximately 55 times. The majority of mentions were in favour of C&K – new services, grants, longevity of teaching staff, and fundraising outcomes. Negative publicity was for service closures and the national trend of fee increases in the early childhood sector.

## Community engagement

An integral part of the Kindergarten Project involved on the ground community engagement. The range of activities maximised the local promotion of the C&K brand and for all services, branch and affiliate from the Gold Coast, Logan, Ipswich, Sunshine Coast, Toowoomba, Warwick, Bundaberg, Mackay, Proserpine, Townsville and Cairns.

- 65+ community engagement sessions
- Regional show days
- Shopping centre displays
- Weekend markets
- School fetes

## Capital investment

### • Website project

A significant project commenced in September 2011 for a new C&K website design and functionality, customer management system, electronic newsletter subscription and social media applications. The project is due to launch mid 2012.

### • Event equipment

C&K invested in outdoor banners, tent and indoor displays to be used at conferences and community engagement activities. All equipment features the C&K brand and provides a professional platform for C&K activities.

In 2011, the marketing and communications team have set the foundation for strong years ahead which will benefit the C&K brand and all services in developing consistent professional resources, ensuring the mission statement of where children come first is achieved.

Nicola Duhig

B.Bus (Marketing)

Marketing & Communications Manager

# Corporate Services

The Corporate Services team experienced significant change in 2011, as the focus was on improving the governance, financial and procurement processes and planning for future IT infrastructure needs of a growing organisation.

The reviews resulted in improvements in these areas and an alignment to the overall objective of corporate services, including the delivery of timely, accurate reports, strong and robust internal controls, and the provision of leading edge technological solutions to C&K.

## Information Technology

In 2011 the IT team commenced major projects to implement changes to the infrastructure and business solutions to provide greater efficiencies, in time and cost for C&K. In July 2011, the board approved C&K to enter into partnering arrangements for the outsourcing of all IT data storage to an offsite private cloud solution.

The solution ensures that C&K has an IT platform that meets the needs of a growing organisation. The implementation commenced in October and is expected to be completed by middle 2012.

A document management solution implemented across all C&K branch services is expected to reduce printing costs by 40% as well as provide future solutions that will improve business processes.

## Finance

The Financial Controller concentrated on financial governance, audit compliance, financial accuracy and timely completion of month and year end reporting requirements. Developing robust systems to ensure future audit reports were positive was a consistent focus for the finance team.

Accounts payable and receivable teams focused on the collection of the debt with a new policy approved by the board enabling C&K to implement an automatic payment system for parents to pay their debt. A greater focus on enforcing the collection policy was also implemented.

As a result of the focus on financial governance, audit compliance and reporting deadlines, the financial operations team achieved all of its objectives and obtained a clean audit report stating that there were no audit issues in the 2011 year. All issues highlighted in previous years had been rectified. This is a very good result for an organisation that has grown in number of services and staff in a short period of time.

## Ken Fuller

B.Bus (Accting, Mngt), MBA, CPA AFAIM  
**Chief Finance and Information Officer**



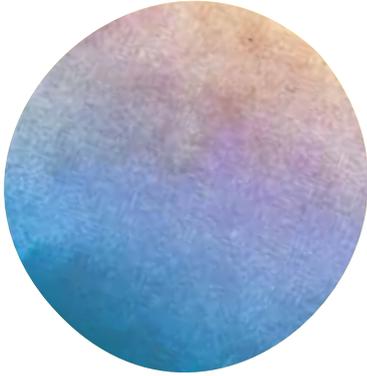
# Chief Finance & Information Officer report

C&K Association of Queensland finished 2011 with an **operating surplus** (before depreciation) of **\$2,015,014**. This was a significant improvement on the 2010 operating surplus (before depreciation) of \$459,840.

## Summary results

	2011 \$'000's	2010 \$'000's
Operating Revenue	50,446	46,183
Expenses		
Employee Costs	39,070	35,334
- Other Expenses	9,361	10,390
Operating Surplus (before Depreciation)	2,015	460
Cash and Cash Equivalents	21,281	17,895
Total Assets	37,394	27,576
Total Equity	23,350	16,287
Employee Costs as a % of Operating Revenue	77.45%	76.51%
Operating Margin (before Dep'n)	3.99%	0.99%
Government funding (incl Grants) / Total Revenue	34.40%	25.54%

A key focus has been partnering with the Queensland Government, providing improved access to kindergartens for more Queensland children and preparing for the implementation of the National Quality Framework



C&K started the year impacted by natural disasters that resulted in a number of centres being temporarily closed. The financial impact was significant and the utilisation rate affected negatively for several months. However as the year progressed the rates of attendance improved. This focus on cost control has assisted C&K to manage the growth without significantly increasing costs as a percentage of revenue.

A key focus has been partnering with the Queensland Government, providing improved access to kindergartens for more Queensland children and preparing for the implementation of the National Quality Framework (NQF). These changes for the sector required additional resources to ensure that the expected outcomes were, and continue to be, achieved.

The **overall surplus** for the year was **\$7,063,072**. This surplus included (in addition to the operating surplus), a profit on sale of assets of \$766,200 and capital grants of \$3,658,176. The overall result is a substantial improvement on 2010.

Operating expenditure increased with wages the significant contributor. Wages increased by 0.94% due to additional resources required to manage large projects and to provide support for children with special needs. Although specific funding is received, the amount is inadequate and C&K contributes additional funds from its own operations to meet the demands.

Occupancy costs also increased, with electricity and cleaning costs being higher than anticipated.

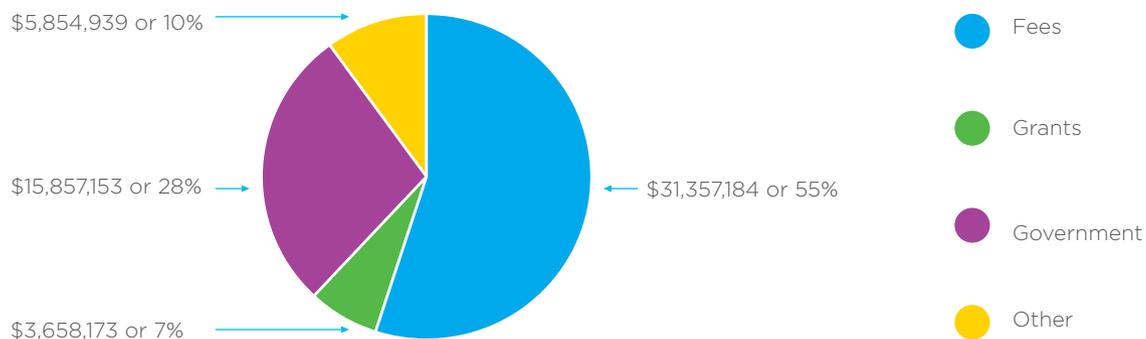
Overall the 2011 financial result was positive for C&K, however 2012 will continue to be challenging as C&K balances the needs of the organisation with the macroeconomic conditions.

#### **Ken Fuller**

B.Bus (Accting, Mngt), MBA, CPA AFAIM  
**Chief Finance and Information Officer**

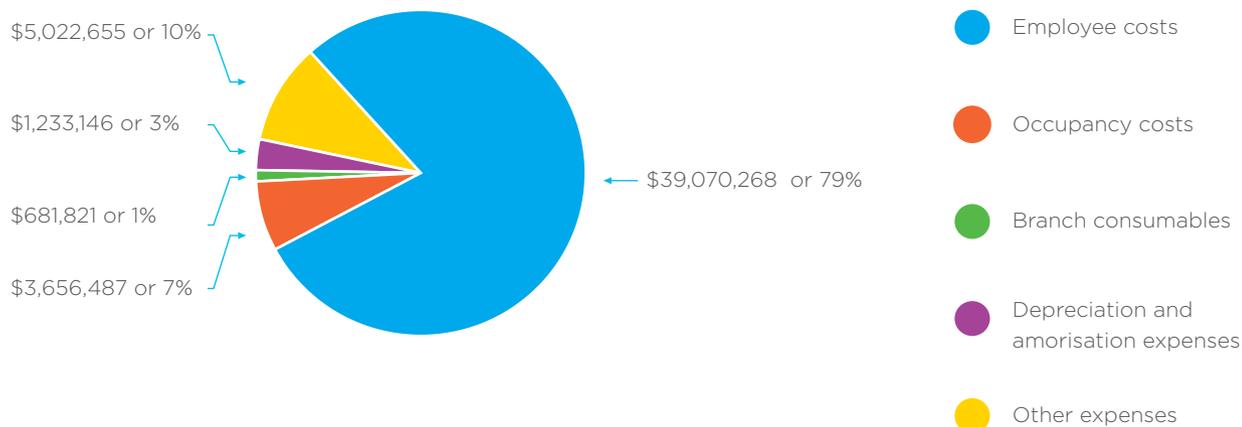
Revenue from ordinary activities was \$50,446,245 an increase of 9% from 2011. The graph below demonstrates the revenue streams for 2011.

### Total Revenue



The graph below demonstrates the portion of expense groups for 2011.

### Total Expenses



The background of the page is a vibrant green watercolor wash. The colors range from a bright, almost neon green to a more muted, yellowish-green, with some darker, brownish-green spots and textures, giving it an organic, artistic feel. The text is centered in the lower half of the image.

# Financial statements

# Statement of Comprehensive Income

## For the year ended 31 December 2011

	Note	2011 \$	2010 \$
Revenues from ordinary activities	2	50,446,245	46,183,989
Employee costs		(39,070,268)	(35,334,157)
<b>Other expenses from ordinary activities</b>	<b>3</b>	<b>(9,360,963)</b>	<b>(10,389,992)</b>
<hr/>			
<b>Operating Surplus Before Depreciation</b>		2,015,014	459,840
- Depreciation and amortisation expenses		(1,233,146)	(1,025,144)
<b>Operating Surplus/(Deficit)</b>		<b>781,868</b>	<b>(565,304)</b>
<hr/>			
<b>Non Operating Income</b>			
- Capital Grants		3,658,173	758,713
- Fair value of donated assets		161,000	8,140
- Profit / (Loss) on Sale of Assets		476,200	1,853,394
- Fundraising		486,254	170,070
- Rental Income		17,988	65,231
- Interest received		1,481,589	556,711
<hr/>			
<b>Total Non Operating Income</b>	<b>2</b>	<b>6,281,204</b>	<b>3,412,259</b>
<b>Net Profit Attributable to the Association</b>		<b>7,063,072</b>	<b>2,846,955</b>
<hr/>			
<b>Other comprehensive income:</b>			
Transfer from reserves		-	42,914
Other comprehensive income for the year		-	42,914
<hr/>			
<b>Total comprehensive income for the year</b>		<b>7,063,072</b>	<b>2,889,869</b>

# Statement of Financial Position

## As at 31 December 2011

	2011 \$	2010 \$
<b>Current assets</b>		
Cash and cash equivalents	9,780,824	5,009,346
Receivables	2,787,125	1,983,751
Other financial assets	11,500,000	12,885,071
Non-current assets held for sale	133,092	-
Other current assets	465,078	452,604
<b>Total current assets</b>	<b>24,666,119</b>	<b>20,330,772</b>
<b>Non-current assets</b>		
Property, plant and equipment	12,506,974	7,245,538
Intangibles	221,170	-
<b>Total non-current assets</b>	<b>12,728,144</b>	<b>7,245,538</b>
<b>Total assets</b>	<b>37,394,263</b>	<b>27,576,310</b>
<b>Current liabilities</b>		
Trade and other payables	10,626,086	7,912,016
Income received in advance	1,308,791	1,520,925
Provisions	1,258,859	1,028,196
<b>Total current liabilities</b>	<b>13,193,736</b>	<b>10,461,137</b>
<b>Non-current liabilities</b>		
Provisions	850,169	827,887
<b>Total non-current liabilities</b>	<b>850,169</b>	<b>827,887</b>
<b>Total liabilities</b>	<b>14,043,905</b>	<b>11,289,024</b>
<b>Net assets</b>	<b>23,350,358</b>	<b>16,287,286</b>
<b>Equity</b>		
Reserves	2,943,693	2,943,693
Retained profits	20,406,665	13,343,593
<b>Total Equity</b>	<b>23,350,358</b>	<b>16,287,286</b>

# Statement of Changes in Equity

## For the year ended 31 December 2011

	2011 \$	2010 \$
<b>MOVEMENTS IN RETAINED EARNINGS</b>		
Retained profits at the beginning of the financial year	13,343,593	10,496,638
Net profit attributable to the Association	7,063,072	2,846,955
<b>Retained profits at the end of the financial year</b>	<b>20,406,665</b>	<b>13,343,593</b>
Made up of:		
Accumulated funds	17,881,871	10,818,799
Accumulated funds - Commonwealth/State Operational	1,311,632	1,311,632
Accumulated funds - Commonwealth/State - Capital	1,213,162	1,213,162
<b>Retained profits at the end of the financial year</b>	<b>20,406,665</b>	<b>13,343,593</b>
<b>MOVEMENTS IN RESERVES</b>		
Mary Thomson Scholarship Fund		4,552
Jean Macmillan Development Fund		10,581
Future capital expenditure reserves	-	27,781
<b>Total movement</b>	<b>-</b>	<b>42,914</b>
<b>Balance at 1 January</b>	<b>2,943,693</b>	<b>2,900,779</b>
Add transfers from reserves	-	42,914
<b>Balance at 31 December</b>	<b>2,943,693</b>	<b>2,943,693</b>
Represented by:		
Mary Thompson Scholarship Fund	421,145	421,145
Future Capital Expenditure Reserve	77,807	77,807
Jean Mcamillan Development Fund	312,926	312,926
C & K Association Building Fund	1,525,385	1,525,385
Special Project Reserve	543,068	543,068
Trusts & Legacies	63,362	63,362
	<b>2,943,693</b>	<b>2,943,693</b>

# Statement of Cash Flows

## For the year ending 31 December 2011

	2011 \$	2010 \$
<b>Cash flows from operating activities</b>		
Receipts from customers and grants	90,671,905	81,958,831
Payments to suppliers and employees	(83,804,153)	(80,691,871)
Interest received	1,481,589	556,711
<b>Net cash provided by operating activities</b>	<b>8,349,341</b>	<b>1,823,671</b>
<b>Cash flow from investing activities</b>		
Payments for property, plant & equipment	(5,484,891)	(1,764,189)
Payments for intangibles	(221,170)	-
Proceeds on sale of fixed assets	743,127	2,594,825
<b>Net cash used in investing activities</b>	<b>(4,962,934)</b>	<b>830,636</b>
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash held	3,386,407	2,654,307
Cash and cash equivalents at the beginning of the year	17,894,417	15,240,110
<b>Cash and cash equivalents at the end of the year</b>	<b>21,280,824</b>	<b>17,894,417</b>

# Notes to the Financial Statements

## For the year ended 31 December 2011

### **Note 1: Statement of significant accounting policies**

#### **Basis of Preparation of the Concise Financial Report**

The concise financial report is an extract of the full financial report for the year ended 31 December 2011. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039 Concise Financial Reports and the Associations Incorporations Act 1981 (Qld).

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the financial report of Creche and Kindergarten Association of Queensland Inc (C&K Association of Queensland). The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of C&K Association of Queensland as the full financial report.

A description of the accounting policies adopted by C&K Association of Queensland may be found in the full financial report.

The presentation currency as shown in the financial statements is in Australian Dollar (AUD).

# Notes to the Financial Statements

## For the year ended 31 December 2011

	2011 \$	2010 \$
<b>Note 2: Revenue</b>		
<b>Operating activities</b>		
- College income	528,134	611,940
- Affiliation fees	759,158	858,935
- Children's fees	30,069,892	27,611,477
- Conference and seminars	315,246	293,452
- Other fees and levies	798,739	242,611
- Project management fees	713,788	2,815,390
- Sundry income	1,404,135	1,839,258
	<b>34,589,092</b>	<b>34,273,063</b>
<b>Government subsidies and grants</b>		
- Dept of Families & Community Services (Commonwealth)		
- operational	2,436,556	1,867,161
- Child Care Benefit	1,540	15,274
- Dept of Education, Training & Youth Affairs (Commonwealth)		
- operational	220,534	886,002
- Dept of Education, Training and the Arts (State)		
- branch services	2,018,750	7,161,075
- 240 Funding		
- Administration Funding	846,251	960,903
- Setup Cost Funding	1,933,848	251,150
- Kindergarten Funding Scheme Funding	7,389,365	473,979
- UAP Long Day Care in Kindy Funding	595,645	209,716
- Department of Communities	-	85,666
- SEIFA Funding	151,620	-
- ARIA Funding	263,044	-
	15,857,153	11,910,926
<b>Total Operating revenue</b>	<b>50,446,245</b>	<b>46,183,989</b>
<b>Non-operating revenue</b>		
- Capital Grants	3,658,173	758,713
- Fair value of donated assets	161,000	8,140
- Profit / (Loss on Sale of Assets)	476,200	1,853,394
- Fundraising	486,254	170,070
- Rental Income	17,988	65,231
- Interest received	1,481,589	556,711
<b>Total Non Operating Revenue</b>	<b>6,281,204</b>	<b>3,412,259</b>
<b>Total Revenue</b>	<b>56,727,449</b>	<b>49,596,248</b>

# Notes to the Financial Statements

## For the year ended 31 December 2011

	2011 \$	2010 \$
<b>Note 3: Profit from ordinary activities</b>		
<b>Expenses:</b>		
Advertising and marketing	537,170	278,253
Audit and Accounting	23,115	91,500
Cleaning	1,317,417	1,146,425
Conferences and seminars	215,511	179,926
Equipment	346,363	353,614
Food and functions	158,829	417,728
Fringe benefits tax expense	20,778	15,878
Motor vehicles	188,995	230,201
Outsourcing/consultancy	498,105	500,814
Postage, printing, stationary and program materials	759,962	705,845
Project management expenses	863,348	2,620,256
Repairs and maintenance	396,023	396,593
Telephone and internet	515,524	500,516
Travel	351,720	329,544
Other expenses	3,168,103	2,622,899
<b>Total other expenses</b>	<b>9,360,963</b>	<b>10,389,992</b>

### Note 4: Events after Balance Sheet Date

- (a) C&K will be changing to an Incorporated Association to an Unlisted Public Company Limited Guarantee from 1 July 2012.
- (b) C&K have entered into a contract to purchase land at 29 Nathan Avenue Ashgrove, to build the C&K Centre for Excellence. Purchase for the land amounted to \$1,700,000 and settlement occurred on 19 March 2012.

### Note 5: Segment reporting

The C&K Association of Queensland operates predominantly in one business segment, the childhood services sector and only operated in one geographical segment, Australia.

# Members of the Board Declaration For the Year Ended 31 December 2011

The members of the Board of Management declare that the concise financial report of C&K Association of Queensland for the year ended 31 December 2011, as set on pages 1 to 7.

- a. Complies with Accounting Standard AASB 1039 Concise Financial Reports; and
- b. Is an extract from the full financial report for the year ended 31 December 2011 and has been derived from and is consistent with the full financial report of C&K Association of Queensland."

This statement is made in accordance with a resolution of the Board of Management and is signed for and on behalf of the Board of Management by:

**President**

  
-----  
Adjunct Professor Mary Mahoney AO

**Treasurer**

  
-----  
Mr Barry Salmon

**Dated this:**

28<sup>th</sup> of March 2012

# Independent Auditor's report to the members of the Creche & Kindergarten Association of Queensland

## Scope

We have audited the concise financial report of C&K Association of Queensland for the year ended 31 December 2011 in order to express an opinion on it to the members. The Board of Management is responsible for the concise financial report. Our audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of C&K Association of Queensland for the year ended 31 December 2011. Our audit report on the full financial report was signed on 28 March 2012, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039: Concise Financial Reports.

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

## Independence

In conducting an audit we followed applicable independence requirements of Australian professional and ethical pronouncements.

## Audit Opinion

In our opinion the concise financial report of C&K Association of Queensland complies with Accounting Standard AASB 1039: Concise Financial Reports.



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HLB Mann Judd



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C J M King  
Partner

Dated this:

28th day of March 2012, Brisbane, Queensland

# Services

## Branch Services

**KINDERGARTENS** | ACACIA RIDGE | ALBERT PARK | ALLORA | AMAROO | ARANA HILLS | BEACHMERE | BEACONSFIELD  
| CABOOLTURE | CALVARY | CARBROOK | CARINDALE | COLLINGWOOD PARK | COO-INDA | COORPAROO | CORAL  
COAST | CRESTMEAD | DECEPTION BAY | DIRRANBANDI | EAST MACKAY | FAIRVIEW HEIGHTS | FLAGSTONE (JIMBOOBA)  
| GAVEN | GAYNDAH | GLADSTONE | GLENMORGAN | GREENBANK | GUNDOO MIRRA | HOLLOWAYS BEACH | KILCOY |  
LEICHARDT | MALENY | MEANDARRA | MILLMERRAN | MOOROOKA | MOOLOOLAH | MORANBAH | MUDGEERABA | MT  
CROSBY | MURGON | NUNDAH | OAKLEIGH | OONOOONBAH | PADDINGTON | REDBANK PLAINS | REDLANDS | ROCHEDALE  
SOUTH | ROSALIE | SALISBURY | SEAFORTH | SLADE POINT | SPRINGSURE | ST CATHERINES | STANTHORPE | STEPPING  
STONES | STRETTON | SUNSET (MT ISA) | THE GAP | TIERI | TIN CAN BAY | WALKERSTON | WEST END | WHITSUNDAYS  
| WOODFORD | YELANGI | **EARLY CHILDHOOD SCHOOLS** | ISABELLA PLAINS | LYONS | NARRABUNDAH | SOUTHERN  
CROSS (SCULLIN) **COMMUNITY CHILDCARE CENTRES** | ARNWOOD PLACE | AMBERLEY | BILOELA | BLACKWATER |  
BUNDABERG TAFE | CABOOLTURE TAFE | CALOUNDRA | CARSELDINE | CALOUNDRA NORTH | CLINTON | COOLUM |  
COTTON TREE | EMERALD SOUTH | GLENDEN | KELVIN GROVE | KELVIN GROVE QUT | MIDDLEMOUNT | MOOLOOLABA  
| MT GRAVATT WEST | NAMBOUR | NEWMARKET | NGUNDANOO | RAILWAY | SALISBURY | TARA | TEWANTIN | VALLEY  
| WILSTON | YUINGI | **ABORIGINAL & TORRES STRAIT ISLANDER PROGRAMS** | ABORIGINAL & TORRES STRAIT  
ISLANDER SUPPORT SERVICE | CABOOLTURE INDIGENOUS CHILDREN'S PROGRAM | CABOOLTURE CHILD CARE LINKS  
| DHAGUN-GUR CURRICULUM RESOURCE LIBRARY | HALLS CREEK PROJECT (PLAYGROUPS) | TORRES STRAIT CHILD  
DEVELOPMENT SUPPORT | **FAMILY DAY CARE SCHEMES** | BROWNS PLAINS | GOLD COAST | MAROOCHY | MUDGEERABA  
| NORTHSIDE (NEWMARKET) | WOODRIDGE | **LIMITED HOURS CARE** | CAPELLA | MAGNETIC ISLAND | **IN-HOME CARE  
SERVICE** | MAROOCHYDORE | **OCCASIONAL CARE CENTRES** | MAROOCHYDORE | NAMBOUR

## Affiliated Services

KINDERGARTENS | GREATER BRISBANE | ALBANY CREEK | ANNE SHEARER | ASCOT CENTENARY | ASHGROVE WEST  
| ASPLEY EAST | BANYO | BAYVIEW | BETHLEHEM | BEENLEIGH | BELLBOWRIE | BOONDALL | BULIMBA | BURRAGAH  
(WOODRIDGE) | BURPENGARY | CAMIRA | CAMP HILL | CANNON HILL | CARINA | CHAPEL HILL | CHELMER-GRACEVILLE  
| CHURCH STREET | CLAYFIELD | CRAIGSLEA | EVERTON HILLS | EVERTON PARK | GAYTHORNE | GEEBUNG | HARTY  
STREET | HOLLAND PARK | INALA | INDOOROOPILLY | JAMBOREE HEIGHTS | KEDRON HEIGHTS | KENMORE WEST |  
KIPPA RING | KOOBARA | LUTWYCHE-WINDSOR | MANLY | MARCHANT PARK | MOTT PARK | NAZARETH | NEWMARKET  
| NORMAN PARK | OUR LADY OF THE ROSARY | RED HILL | ST LUCIA | SAMFORD | SANDGATE-BRIGHTON | SHAILER  
ROAD | SHERWOOD | STRATHPINE | STONES CORNER | TARRAGINDI MEMORIAL | TINGALPA | UPPER MT GRAVATT |  
WAGNER ROAD | WANDARRAH | WAVELL HEIGHTS | WEST CHERMSIDE | WEST END | WEST MORETON | WILLMORE |  
WILSTON-GRANGE | WYNNUM GENERAL GORDON | WYNNUM MANLY | YERONGA | REGIONAL QUEENSLAND ATHERTON  
| AYR | BABINDA | BALONNE | BARCALDINE | BAYVIEW HEIGHTS | BEAUDESERT | BECK STREET (DALBY) | BIGGENDEN |  
BILOELA | BIRRALEE (GLADSTONE) | BLACKALL | BLACKBUTT | BLUE SKIES (TOWNSVILLE) | BOONAH | BOOPA WEREM  
(BUNGALOW) | BROADBEACH | BRIBIE ISLAND | BROADBEACH WATERS |

## Affiliated Services continued

BUNDABERG | BUNDARA | BURKETOWN | BURLEIGH HEADS | BURRUM | CABOOLTURE APEX | CAIRNS | CALLIOPE | CALOUNDRA CHRISTIAN | CAMBOOYA | CANUNGRA | CARPENTARIA (NORMANTON) | CARRAMAR (MARYBOROUGH) | CHARLEVILLE | CHARTERS TOWERS | CHINCHILLA | CHISELHURST (TOOWOOMBA) | CLONCURRY | COEN | COOKTOWN | DIMBULAH | DYSART | EDMONTON (CAIRNS) | EIDSVOLD | EILEEN FISHER (MT ISA) | EMU PARK | ESK | ESTELLE CARDIFF (MT ISA) | FOREST VIEW (BUNDABERG) | GATTON | GEORGE BOWEN (HOPEVALE) | GIN GIN | GLEBE ROAD (IPSWICH) | GOONDIWINDI | GORDONVALE | GYMPIE | HAPPY VALLEY (MT ISA) | HERVEY BAY (SCARNESS) | HIGHFIELDS | HOME HILL | HUGHENDEN | INGHAM | INJILINJI (MT ISA) | INNISFAIL | ISIS (CHILDERS) | JACARANDA STREET (BOOVAL) | JANDOWAE | JELLYBEANS (ALPHA) | KARALEE/WILLOW DOWNS | KAWANA | KILKIVAN | KINGAROY | KOOKABURRA CREEK (GLADSTONE) | KOOKABURRA STEINER (ANDERGROVE) | KOOLKUNA (TOWNSVILLE) | KOOLYANGARRA (GLADSTONE) | KULILA (TOOWOOMBA) | KUMBIA | KURANDA | KUTJALA (CHARTERS TOWERS) | LABRADOR | LAIDLEY | LITTLE MIRACLES (TOOWOOMBA) | LONGREACH | LOWER HERBERT | LOWOOD | MACKAY | MACLAGAN WINDERMERE | MALANDA | MALENY | MAREEBA | MARYBOROUGH | MERMAID WATERS | MIRAMBEENA (TOOWOOMBA) | MONTO | MORANBAH | MOURA | MOURILYAN DISTRICT | MOSSMAN | MT LOUISA (TOWNSVILLE) | MUNDUBBERA | MUNGINDI | FLORENCE (MARGATE) | MURILLA (MILES) | NANANGO | NAPRANUM (WEIPA SOUTH) | NARNIA (ROCKHAMPTON) | OAKEY | PALMWOODS | PITTSWORTH | POMONA | PORT DOUGLAS | QUILPIE | RAVENSHOE | ROCKHAMPTON SOUTH | RODERICK STREET (IPSWICH) | ROSEWOOD & DISTRICT | ROSEWOOD (TOOWOOMBA) | ROWES BAY (TOWNSVILLE) |

SCOTTVILLE | SILKSTONE (BOOVAL) | SNOW WHITE (DALBY) | SOUTH KOLAN | STUART STREET (DALBY) | TAMBORINE  
| TANNUM SANDS | TAROOM | TARUMBAL (NORTH ROCKHAMPTON) | TEWANTIN | TEXAS | TOOBEAH | TOOGOOLAWAH  
| TRINITY BEACH (CAIRNS) | TULLY | TWIN TOWNS (COOLANGATTA) | VERA LACAZE (TOOWOOMBA) | WALLAVILLE |  
WANDOAN | WARWICK | WEIPA | WESTMAR (KARRABIN) | WESTERN SUBURBS (TOWNSVILLE) | WHITFIELD (CAIRNS)  
| WONDAI | WUJAL WUJAL | YAMANTO | YARRAMAN & DISTRICT | YEPPON | YORKEYS KNOB | YUNGABURRA |  
**EARLY CHILDHOOD SUPPORT SERVICE (ECSS) SUBSCRIBERS** | AGNES WATER CHILDCARE CENTRE | ASHMORE  
COMMUNITY CHILDREN'S CENTRE | BLACKWOOD STREET CHILDCARE CENTRE | BOWEN & DISTRICT CHILDCARE  
CENTRE | BUNDAMBA CHILDCARE CENTRE | GALBIRI CHILDCARE & PRESCHOOL CENTRE | GOODNA COMMUNITY  
CHILDCARE CENTRE | HAYES STREET CHILDCARE CENTRE | INGHAM EARLY LEARNING CENTRE | LEICHHARDT ONE MILE  
COMMUNITY CHILDCARE CENTRE | LOGAN TAFE COMMUNITY CHILDCARE | MAREEBA CHILDCARE & KINDERGARTEN  
(DUNLOP ST) | MIAMI COMMUNITY CHILDREN'S CENTRE | NASH STREET CHILDCARE CENTRE | NORTH IPSWICH  
CHILDCARE CENTRE | OLSON AVENUE COMMUNITY CHILDREN'S CENTRE | TORRENS ROAD COMMUNITY CHILDCARE  
CENTRE | **ASSOCIATE SERVICES** | JULATTEN | MARANOVA (MITCHELL) | RACEVIEW

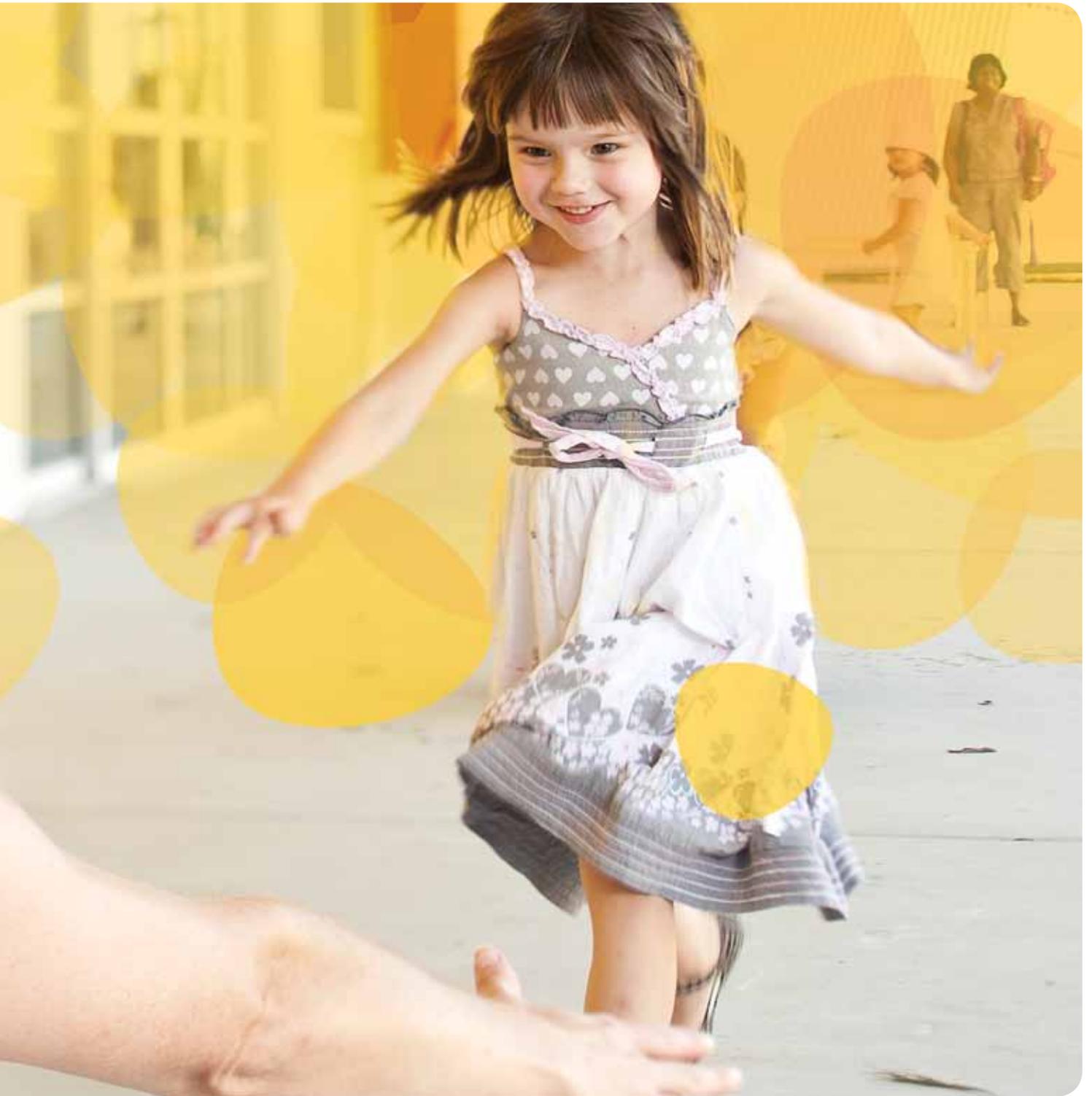
## About C&K

Since 1907 C&K has been the leading early childhood education and care provider in Queensland.

More than one million children and their families have experienced the C&K difference.

All C&K services offer the only independently approved *C&K Building waterfalls* teaching and learning guidelines for kindergarten and birth to three years.

C&K is a not for profit association whereby all profits are reinvested to benefit children and the community.





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*Where children come first*