



FAMILY DAY CARE AUSTRALIA
ANNUAL REPORT
2018-2019





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1.0 EXECUTIVE REPORTS

1.1 CHIEF EXECUTIVE OFFICER REPORT

2018-2019 saw the launch of our new strategic plan and with it, a renewed Vision for the sector and renewed vigour in our work to represent, support and promote a strong and viable future for family day care.

With the dust settling on a sustained and significant period of challenge, change and reform for the sector, the launch of the new strategic plan provided a timely opportunity to shift our focus to the future, and towards driving the national agenda for family day care.

Of our three key strategic pillars, our work in representing the sector is pivotal to achieving our Vision. In short, Family Day Care Australia (FDCA) is vehemently committed to championing a political, policy and regulatory environment that embraces the uniqueness, importance and capabilities of family day care in supporting the needs of Australian children, families and communities.

Throughout 2018-2019 we remained heavily invested in our advocacy on key policy issues. FDCA has maintained regular, constructive and informed engagement with the Federal Minister for Education, the Opposition, the Executive levels of the Australian Government Department of Education, the Australian Children's Education and Care Quality Authority (ACECQA), and state and territory Education Ministers and Regulatory Authorities. Likewise we continue to provide broadly representative, consultative and evidence-based advocacy through participation across all key sector stakeholder forums and consultations.

A key project in the 2018-2019 year has been the engagement of ARTD Consultants to undertake an independent

review that explores the sector's engagement in, and interaction with the National Quality Standard (NQS) Assessment and Ratings process. The review was focussed on how the assessment process is undertaken across jurisdictions, how the process is applied to the family day care sector compared with the long day care sector and whether any specific mechanisms should be explored in the interest of improving the process. This project is the first stage in a long-term objective to increase the percentage of services 'Meeting' or 'Exceeding' the NQS from 43% to 66% over a three year period. It is also a key element of the evidence base that will inform our advocacy strategy to support a return to sustainable, legitimate, quality growth in family day care into the future.

Among the many initiatives undertaken by FDCA throughout 2018-2019, several other key projects will also be central to the formulation of this evidence base for advocacy. The Next Generation of Family Day Care Educators initiative explored the changing profile of the family day care educator and the barriers and motivations to entering the sector. The Awareness and Perceptions Benchmark study has researched awareness and attitudes of users and non-users of family day care, while the wrap up of our sector consultation around fee charging practices provides a useful profile of the fees, sessions and associated practices across the sector.

After extensive sector consultation, FDCA released its 'election commitments' report in the lead up to the 2019 Federal Election. Each of the major parties provided responses to FDCA's recommendations and significant ground was gained in framing future positions with key policy makers.

Delivering consistently high quality outcomes for children is central to achieving our Vision and as such, supporting the sector in pedagogical and operational practice is the second of FDCA's strategic priorities. Professional learning opportunities via the National Engagement Program leveraging both FDCA research and resources and, with the support of key stakeholders including ACECQA and Be You, we have made a significant contribution to this outcome.



Likewise, the 2018 FDCA National Conference was an immensely successful event in connecting, consulting and supporting the sector. Over 400 delegates came together on the Gold Coast for what is the landmark professional development and networking event on the family day care calendar. In addition to a rich and diverse program of speakers and panellists, the conference was well represented by senior delegates from the Australian Department of Education, and FDCA was delighted to have the Hon Amanda Rishworth MP, Shadow Minister for Early Childhood Development deliver the opening address.

In light of the significant regulatory reform of recent years, and in being mindful of the associated administrative burden, in 2018-2019 FDCA partnered with Deloitte to develop a comprehensive online Compliance Assessment Tool to support services to ensure that they are vigilant in their compliance and risk management strategies.

Similarly, with the introduction of stronger obligations around fitness and propriety, FDCA was proud to develop and launch its very own national police checks system. Specifically tailored to the needs of the sector and provided at market leading rates, FDCA continues to demonstrate its commitment to alleviating administrative and financial burden on its members.

Promoting and managing the image and profile of family day care is the third of FDCA's strategic priorities. Throughout 2018-2019 we maintained a number of strong and strategic media relationships to provide balanced reporting on key sector issues and FDCA remains a respected key opinion leader in the early childhood education and care space.

Our public relations strategy continues to be highly effective in promoting and positioning the many and unique benefits of family day care and as an option of choice in early childhood education and care. Our key pillars, the Excellence in Family Day Care Awards and National Family Day Care Week continue to drive positive media and 'tell the story' of family day care from the perspectives of the children, parents and educators for whom the sector plays such an important role in their lives.

Operationally, throughout 2018-2019, we have been highly effective in the delivery of our member services. We have continued to drive agility and efficiency to support sustainable long term capacity.

Investment in technology has not only enabled new operational efficiencies, data analytics, and an enhanced member experience, it has facilitated a progressive transition to a predominately 'cloud based' office. This in turn has supported flexible working arrangements and a downsize in physical space requirements.

Amidst an often challenging environment, I am extremely proud of all that FDCA has achieved throughout 2018-2019. Our reinvestment into the sector has delivered highly tangible outcomes for members; at the same time, we have maintained a strong bottom line position and contributed to the ongoing future viability of the national peak.

I am immensely grateful for the significant contributions of our Board of Directors and the team at FDCA; I am very privileged to have the support of such a dedicated, talented and collegial group of industry and sector professionals.

I am also extremely appreciative of the ongoing engagement of our members. Your support underpins our capacity to be effective as your national peak body and your work as early childhood education and care professionals impacts hundreds of thousands of children and families across Australia.

Andrew Paterson
Chief Executive Officer
Family Day Care Australia

1.0 EXECUTIVE REPORTS (CONT.)

1.2 BOARD CHAIR REPORT

It is my pleasure to present the Board Chair's Report for the 2018-2019 financial year, and my first as Chair of the national peak.

As the inaugural year in our new three year strategic period, 2018-2019 has been an exciting and highly productive year for FDCA.

The official launch of the strategic plan at the FDCA 2018 National Conference provided a timely opportunity to share a renewed Vision for the sector and to articulate our road-map for the next evolution of family day care.

A significant focus of 2018-2019 has been establishing the evidence base that will guide our efforts and our advocacy in realising this Vision and in delivering on our Mission and ultimately, in driving the national agenda for a strong and viable future for family day care.

FDCA remains highly engaged as a key opinion leader in the early childhood education and care sector and has been a strong, strategic and effective advocate for the sector. As a delegate on all key stakeholder reference forums and through informed, representative responses to all relevant sector consultations, FDCA's role as the national voice of the sector is front and centre of our work.

Good governance is a core underpinning of sustainable organisational viability. The professional skills, knowledge and capabilities of the FDCA Board of Directors and the collaborative, high performing culture of the Board and Executive are testament to the organisation's commitment to best practice and continuous improvement in organisational governance.

The core functions of the Board; governance, strategy and strategic decision making, finance and risk management are supported and informed by

transparent, quality reporting, robust frameworks and extensively researched, evidence-based briefings.

During the reporting period we farewelled Pam Johns from the Board after a long and highly effective term as a Director and Board Chair, at which point Sarah Fowler from Kentish Lifelong Learning and Care was appointed to the role of Deputy Chair. We also welcomed Georgina Zadelj to the Board, further supporting the depth and diversity of the skills matrix of the FDCA Board as an educator Director.

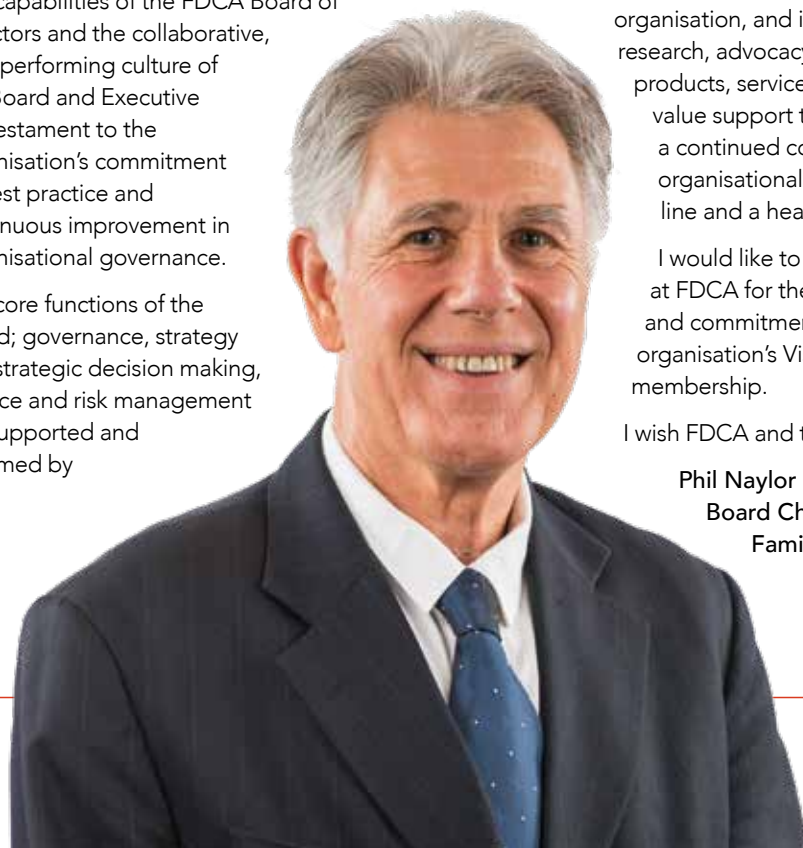
Directors have engaged in valuable opportunities for professional development throughout the period including training via the Australian Institute of Company Directors, the Diploma of Business (Governance) and internal professional workshops. The organisation's constitution underwent an extensive internal and external review with a number of key amendments made to ensure this 'guiding document' remained contemporary and aligned with the current and evolving needs of the organisation and its members. Of significance was the transition from the former 'National Members' Forum' to a more agile and robust 'Advisory Committee' member engagement framework; already paying dividends through consultation across a number of key organisational initiatives. At the November Annual General Meeting, as a matter of good process, FDCA also transitioned its auditors.

2018-2019 has been another successful year in balancing investment into the sector and investment back into the organisation, and into its long term viability. Through research, advocacy, resources, events, consultations, products, services and benefits, FDCA has provided high value support to the work of its members. Similarly, a continued commitment to driving operational and organisational efficiency has enabled a strong bottom line and a healthy balance sheet at year's end.

I would like to commend Andrew and the team at FDCA for their leadership, drive, innovation and commitment to informing and executing the organisation's Vision and Mission and to supporting the membership.

I wish FDCA and the sector all the very best for 2019-2020.

Phil Naylor
Board Chair
Family Day Care Australia





1.0 EXECUTIVE REPORTS (CONT.)

1.3 DIRECTOR'S REPORT

DIRECTORS - AS AT 30 JUNE 2019

MEETINGS OF DIRECTORS



Number of face-to-face meetings held during financial year – 4:

- 28 July 2018
- 10 November 2018
- 13 February 2019
- 30 April 2019



Number of teleconferences held during financial year – 2

- 4 October 2018
- 14 March 2019

CURRENT DIRECTORS



PHILLIP GORDON NAYLOR

Director and Chair

Qualifications: Bachelor of Commerce, Graduate of Australian Institute of Company Directors

Board Meetings: Possible: 6 Attendances: 6

Appointed: 3 May 2016 (appointed Chair 10 November 2018)



SARAH MARY FOWLER

Director and Deputy Chair

Qualifications: Diploma of Business (Governance), Diploma of Children's Services, Diploma of Management

Board Meetings: Possible: 6 Attendances: 6

Appointed: 28 October 2017 (appointed Deputy Chair 10 November 2018)



PRISCILLA CHRISTINE SCHWANZ

Director

Qualifications: Diploma of Children's Services

Board Meetings: Possible: 6 Attendances: 5

Appointed: 27 November 2011



TAMZIN LEE

Director

Qualifications: Bachelor of Laws, Bachelor of International Business

Board Meetings: Possible: 6 Attendances: 5

Appointed: 25 November 2016

**SALEH IBRAHIM****Director**

Qualifications: Diploma of Early Childhood Teaching, Bachelor of Social Science, Certificate IV Training & Assessment, New South Wales Justice of the Peace

Board Meetings: Possible: 6 Attendances: 6

Appointed: 26 November 2016

**PHILLIPA THERESE HARGRAVE****Director**

Qualifications: Diploma of Children's Services, Certificate IV in Leadership and Management

Board Meetings: Possible: 6 Attendances: 6

Appointed: 28 October 2017

**GEORGINA ZADELJ****Director**

Qualifications: Advanced Diploma in Children's Services, Certificate IV in Teacher Aide Studies, Certificate IV in Workplace Training and Assessment, Certificate III in Forest School Programme Leadership

Board Meetings: Possible: 0 Attendances: 0

Appointed: 14 June 2019

FORMER DIRECTORS**PAMELA LORRAINE JOHNS****Director and Chair**

Qualifications: Diploma of Early Childhood Education and Care, Diploma of Community Services Welfare, Advanced Diploma in Community Services Management, Certificate III in Children's Services

Board Meetings: Possible: 2 Attendances: 2

Appointed: 27 November 2011

Resigned: 10 November 2018

**REBECCA LOUISE RUSHBY****Director**

Qualifications: Diploma of Children's Services

Board Meetings: Possible: 4 Attendances: 4

Appointed: 10 November 2018

Resigned: 11 June 2019

2.0 VISION, MISSION, VALUES

VISION

Family day care is the natural choice.

MISSION

To represent, support and promote the family day care sector in delivering high quality early childhood education and care to more Australian children.

ACHIEVING OUR VISION

- 1 Our Vision requires a political, policy and regulatory environment that embraces the uniqueness, importance and capabilities of family day care and that enables a strong, viable and widely accessible sector.
- 2 Our Vision demands consistently high quality outcomes for children in family day care.
- 3 Our Vision requires strong awareness and understanding of the many and unique benefits of family day care for children, families and educators.

Underpinned by our Values and guided by our Mission we will achieve our goals and together we will realise our Vision.

VALUES

EQUITY

Equitable access and the removal of barriers to high quality early childhood education for all children. Equity is a core underpinning of FDCA's organisational culture.

PROFESSIONALISM

Ongoing improvement in, and recognition of, the sector as professional early childhood educators and administrators. A professional sector needs a highly professional national peak.

EXCELLENCE

Excellent outcomes for children in family day care underpins a strong and viable future for family day care. Excellent outcomes from FDCA will support the sector in this objective.

COLLABORATION

Collaborative partnerships between services, educators, families and children are key underpinnings of quality in family day care. FDCA, the sector and stakeholders are partners in achieving our vision.



3.0 2018-2020 STRATEGIC SNAPSHOT

PRIORITIES	GOALS	IMPACTS
REPRESENT	<ul style="list-style-type: none"> • Provide strong leadership, a united national voice and future directions for family day care through effective, broadly representative, consultative and evidence-based advocacy on key policy issues • Champion a political, policy and regulatory environment that embraces the uniqueness, importance and capabilities of family day care and enables a strong, viable, accessible and evolving sector 	<p>Positive % of advocacy outcomes for family day care</p> <p>Representation on all key stakeholder reference groups</p>
SUPPORT	<ul style="list-style-type: none"> • Support ongoing improvement in pedagogical and operational practice and outcomes for children in family day care, through research, resources, professional learning opportunities and professional networks • Support the sector in the effective and efficient management of, and compliance with, the administrative, business and regulatory requirements of family day care 	<p>Increase the % of services 'meeting' or 'exceeding' the NQS from 43% to 66%</p> <p>Increase FDCA's Educator and Service Net Promoter Score from +35 and +41 to +50</p>
PROMOTE	<ul style="list-style-type: none"> • Raise awareness and position family day care on its unique strengths in delivering high quality early childhood education and care to support long term sector viability and growth through marketing, public relations and strategic media management • Raise awareness and position family day care as a career of choice to support services in the recruitment of professional early childhood educators in areas of need and opportunity 	<p>Increase FDCA website average monthly 'unique visitors' by 15% to 15,600/month</p> <p>Increase FDCA average monthly locator leads by 20% to 1165/month</p> <p>Establish baseline measures of awareness and perception of users and non-users of family day care and increase by 10%</p>
ORGANISATION	<ul style="list-style-type: none"> • Ensure sustainable, ongoing and valued services to members through innovation, diversification, organisational capacity, operational efficiency, good governance and strong financial management 	<p>Increase the % of operating services as members from 81% to 90%</p> <p>Increase the % of satisfied/very satisfied members from 69% (e) and 63% (s) to 75%</p> <p>Achieve annual 5% net surplus and solvency ratio of 10 months</p> <p>Maintain a staff engagement level of more than 4.0.</p>

4.0 REPRESENT

FDCA is committed to representing the family day care sector through consultative, evidence-based advocacy on key policy issues.

Given the scope and diversity of FDCA's national membership, we are uniquely positioned to develop and deliver broadly representative policy positions and to provide detailed analysis and support to our membership.

We do this through:

- Expert knowledge in policy and legislative formulation and review
- Strong government and stakeholder relationships
- Extensive representation on stakeholder forums
- Monitoring, analysing and responding to emerging policy issues, trends and data
- Multifaceted consultative mechanisms
- Academic research
- Professional policy submissions to government

STRATEGIC GOALS:

- Provide strong leadership, a united national voice and future directions for family day care through effective, broadly representative, consultative and evidence-based advocacy on key policy issues.
- Champion a political, policy and regulatory environment that embraces the uniqueness, importance and capabilities of family day care and enables a strong, viable, accessible and evolving sector.

4.1 ADVOCACY

Throughout the 2018-2019 financial year, FDCA has prioritised a number of projects that provide for a strong evidence base to assist in furthering our advocacy strategy and supporting FDCA members to achieve the best possible learning and developmental outcomes for the more than 120,000 children receiving education and care in the family day care sector.

To achieve this robust evidence base, FDCA consistently engaged and consulted with the FDCA membership, both service and educator members, through a range of means including face-to-face engagement through the National Engagement Program, online surveys and targeted consultation with key stakeholders through our newly established Advisory Committee structure under the FDCA constitution.

FDCA regularly liaises directly with the Federal Minister for Education, the Opposition, the Executive levels of the Australian Government Department of Education, the Australian Children's Education and Care Quality Authority (ACECQA), and state and territory Regulatory Authorities, and in our capacity as a representative on all major national early childhood education and care stakeholder reference groups, in order to promote the interests of the family day care sector and ensure that our key positions are heard by policy decision makers at all levels of government.

KEY OUTCOMES:

- On 28 June 2019, FDCA made a submission to the *2019 Review of the National Quality Framework*. The submission is underpinned by FDCA's strongly held positions that:
 - FDCA does not support any regulatory changes that will further restrict the viability of the family day care sector or limit the capacity for legitimate growth; and
 - Consistency of implementation of the NQF is paramount if the validity of the NQF is to be sustained.
- Throughout this financial year, FDCA became aware of a number of key issues with the Child Care Package implementation, including cases whereby Child Care Subsidy (CCS) payments are being retrospectively recouped from services, which has left services and/or educators in debt. FDCA compiled a number of cases studies that were indicative of the issues more broadly of these instances and made a submission to the Department of Education. FDCA anticipates that amendments will be made to the Child Care Package in line with our recommendations early next financial year.
- On 13 May 2019 FDCA made a submission to the Western Australian Department of Communities in response to the Consultation Regulatory Impact Statement (CRIS) on family day care residences with swimming pools, spas and water features in Western Australia.
- On 25 January 2019, FDCA made a submission to the Expert Review of Australia's vocational education and training system. The submission highlighted a number of concerns in relation to content and quality of education and training and quality and consistency of information about qualifications and employment outcomes relevant to the family day care sector.

- On 13 February 2019, FDCA wrote to the Department of Education and Training regarding the updated eligibility criteria for the Community Child Care Fund (CCCCF) open competitive grant in the second round, specifically in relation to family day care. The Department considered our position and promptly amended the guidelines.

4.2 2019 ELECTION COMMITMENTS

In the lead up to the 2019 Federal Election, FDCA provided a document to all major Australian political parties outlining the key policy positions of FDCA and associated requests of the family day care sector for the major parties and the incoming Australian Government.

The requests were based on feedback from a survey that was sent to all FDCA members. Subsequently, upon response from the major parties, FDCA informed members of which policy election commitments they are willing to adopt for the family day care sector in the lead up to the Federal Election to assist in informing members' voting decisions.

KEY OUTCOMES:

- Consultation with members completed to help FDCA develop a number of key policy requests
- Distribution of election commitments document to all major political parties
- Responses from all major political parties, indicating a strong level of engagement with FDCA
- Positive commitments to a number of the election commitment requests from the Australian Labor Party

4.3 IMPROVING FAMILY DAY CARE NQS RATINGS PROJECT

This project saw FDCA engage ARTD Consultants to undertake an independent review to better understand the experience of FDCA members participating in the National Quality Standard (NQS) Assessment and Ratings process with a view to contributing to continuous improvement in the family day care sector. The review was focussed on how the assessment process is undertaken across jurisdictions, how the process is applied to the family day care sector compared with the long day care

sector and whether any specific mechanisms should be explored in the interest of improving the process.

The project focused on whether the assessment process and authorised officers' approaches to assessment are adequately tailored to the family day care service type.

This is the first stage of a long-term objective which seeks to increase the percentage of services 'Meeting' or 'Exceeding' the NQS from 43% to 66% over a three year period.

KEY OUTCOMES:

- Tender process completed and external consultant engaged to undertake this project
- Consultation with members
- Completion of report
- Commencement of the development of Navigating the NQS Assessment and Ratings Process Resource

4.4 SECTOR PROFILE REPORT

The Family Day Care Sector Profile report provides information and analysis relating to the general profile of the family day care sector, the number and location of educators and services by remoteness area and socio-economic disadvantage, educators' age, and services' NQS quality ratings awarded by ACECQA.

The report analyses a number of data sources, including FDCA member data, the ACECQA National Register and data from the Australian Bureau of Statistics, to provide these ongoing insights into the nature of the family day care sector.

KEY OUTCOMES:

- The increased knowledge of the demographic profile of the family day care sector to key stakeholders across Australia, including the Australian Government, State and Territory Governments, key early childhood education and care sector stakeholders and notable early childhood education and care academics.
- Four reports published in 2018-2019 (September 2018, December 2018, March 2019 and June 2019)
- Provides FDCA with strong evidence-based data for organisational functions and strategy

5.0 SUPPORT

FDCA is committed to supporting the sector in continuous improvement and in the delivery of quality practice.

We do this through the provision of specialist, professional advice, professional learning and networking opportunities and member resources.

STRATEGIC GOALS:

- Support ongoing improvement in pedagogical and operational practice, and outcomes for children in family day care, through research, resources, professional learning opportunities and professional networks.
- Support the sector in the effective and efficient management of, and compliance with, the administrative, business and regulatory requirements of family day care.

5.1 2019 NATIONAL ENGAGEMENT PROGRAM

The National Engagement Program has become a vital conduit between FDCA and our members, allowing us to connect, consult and support the family day care sector.

The 2019 National Engagement Program is visiting ten locations across Australia between February and November and will focus on professional development. The program features separate sessions in each location dedicated to services and educators ensuring that the content within each forum is tailored to the unique needs of our service and educator members.

The forums include sector updates, professional development sessions, networking lunches and are free for FDCA members.

Twelve National Engagement Program forums were held during the 2018-2019 period.

KEY OUTCOMES:

- 20 dedicated forums delivered across 10 metropolitan and regional hubs throughout Australia for 2019
- The inclusion of ACECQA and Be You as presenters for National Engagement Program forums
- Over 940 total registrations as at 30 June 2019
- A satisfaction level of more than 94% was registered by forum attendees

5.2 FDCA 2018 NATIONAL CONFERENCE

The FDCA National Conference was held on Queensland's Gold Coast from 6-8 September 2018 at the Gold Coast Convention and Exhibition Centre.

The FDCA National Conference is a key event on the family day care calendar and is held by the national peak body in order to bring the sector together to offer professional development, networking opportunities and also discuss a range of contemporary key issues and topics.

KEY OUTCOMES:

- Over 400 delegates attended the FDCA 2018 National Conference
- Over 96% of conference attendees were satisfied with their overall conference experience, with 82% attendees being extremely satisfied
- The attendance of the Hon Amanda Rishworth MP, Shadow Minister for Early Childhood Development and her commitment to a number of Guiding Principles relating to how the Australian Labor Party will interact with the family day care sector

5.3 STRENGTHENING FINANCIAL CAPABILITY IN FAMILY DAY CARE RESOURCE

This initiative aims to build the financial capability of FDCA educator members and thereby enhance their knowledge and confidence in financial decision making and capability in managing their business.

The professional development resource will provide clear and contextualised guidance to family day care educators in the key areas that are essential to running their family day care business as independent contractors. The resource will be delivered through an interactive online platform.

This initiative was still in progress moving into the 2019-2020 period.

KEY OUTCOMES:

- The establishment of the Strengthening Financial Capability in Family Day Care initiative Project Advisory Committee
- Integration of initial content onto FDCA's online Learning Management System

5.4 NEXT GENERATION OF FAMILY DAY CARE EDUCATORS RESEARCH REPORT

During FDCA's strategic planning process, it was identified that the typical 'educator profile' has changed and may continue to change as our external environment changes. Understanding this educator profile is vital to educator recruitment and to the general viability of the sector going forward. As such, FDCA undertook a research project in partnership with an external research agency to survey FDCA educator members and explore:

- The current socio-demographic profile of educators
- Barriers and motivations to career entry
- Target audiences of potential educators

KEY OUTCOMES:

- The completion of the *Attracting the next generation of family day care educators* research report
- The report found that:
 - more than half of the respondents have higher qualifications in early childhood education and care, with 49% holding Diploma level qualifications and 5% holding a Bachelors Degree or higher
 - nearly half (45%) of survey respondents who became educators within the last three years have previously worked in a long day care centre

5.5 CALD RESOURCE TRANSLATION PROJECT

Family day care reflects its communities and the diversity of the cultures of the children and families it supports. After consultation with our members and sector stakeholders, the languages of Arabic, Farsi and Somali were selected for translation of the following resources:

- Perspectives on Quality In Australian Family Day Care booklet and online videos
- FDCA new business insurance booklet

The Perspectives on Quality in Australian Family Day Care resource developed by FDCA demonstrates and expands upon each of the five aspects of quality that are central to high quality family day care outlined in the 'Perspectives on Quality in Australian Family Day Care' report.

Translating the resource into three common languages from the cultural backgrounds of educators working within the family day care sector assist in promoting increased awareness of the core aspects of quality practice that are unique to family day care. While the core principles of high quality remain the same in all early childhood education and care settings, it is important to acknowledge that high quality family day care occurs across a wide range of cultural contexts.

Making an educator's insurance simple and giving them the confidence to know that they're covered is important to us. Our translated new business booklets support English Second Language educators to choose the cover that meets their needs and to understand the cover and the peace of mind it provides.

KEY OUTCOMES:

- Each resource has been translated into the languages of Arabic, Farsi and Somali
- Members were provided with electronic access to all resources
- Services were given the option to order hard copies of the new business insurance booklet for new educators (at no cost)

5.0 SUPPORT (CONT.)

5.6 COMPLIANCE ASSESSMENT TOOL

In recent years the family day care sector has seen the introduction of more robust regulatory and compliance mechanisms, which has led to increased administrative burden.

With this in mind, FDCA partnered with Deloitte to begin development of the very first online Compliance Assessment Tool dedicated for family day care services to assist in ensuring that they are vigilant and effective in their compliance and risk management strategies.

The tool is designed to facilitate higher competency and increased compliance, in the area of service governance, operational practice and risk management relating primarily to the administration of child care family assistance payments under the requirements set out in the Family Assistance Legislation Amendment (Job for Families Package) Act 2017 (the "Act") and other governing Acts.

The tool will provide a more holistic assessment of the risks and obligations associated with administering a family day care service under the Act.

KEY OUTCOMES:

- Selection of Deloitte as the partner for the project
- Scoping and development of tool undertaken
- Comprehensive testing of the tool started



6.0 PROMOTE

FDCA is committed to raising the profile of family day care nationally, and to positioning family day care as the option of choice in early childhood education and care.

We assist our members in promoting their family day care services and in delivering clear and consistent messages about the many and unique benefits of family day care. This is done through the provision of a range of public relations initiatives and events, strategic media management, marketing, member services and resources.

STRATEGIC GOALS:

- Raise awareness and position family day care on its unique strengths in delivering high quality early childhood education and care to support long term sector viability and growth through marketing, public relations and strategic media management.
- Raise awareness and position family day care as a career of choice to support services in the recruitment of professional early childhood educators in areas of need and opportunity.

6.1 2018 EXCELLENCE IN FAMILY DAY CARE AWARDS

The 2018 Excellence in Family Day Care Awards recognise excellence in the family day care sector and also highlight the wonderful contribution that family day care services and educators make to communities across the country.

The awards play a key role in FDCA's media strategy, and form a strong platform for ongoing positive publicity for the family day care sector. The awards assist FDCA in raising the image and profile of the sector and positioning family day care as the natural choice in child care.

KEY OUTCOMES:

- Over 2,500 nominations placed for educators and services
- 118 positive media stories published across Australia
- The media generated reached over 562,000 people

6.2 FAMILY DAY CARE AUSTRALIA NATIONAL ADVERTISING CAMPAIGN





This initiative built upon the campaign of 2017-2018 by including a national regional television buy as part of the 2018-2019 campaign, as well as investing in Facebook, search and display marketing. The campaign also saw family day care commercials and brochures placed in GP clinics across Australia.

The campaign continued to utilise digital channels through social media, display and online advertising.

The campaign ran throughout the entire 2018-2019 financial year.

KEY OUTCOMES:

- 1,200 television commercial spots shown nationally
- Family day care brochures and TV advertisements displayed in 748 GP clinics across Australia
- Achieved a cumulative reach of over 550,000 through Facebook advertising
- Generated over 37,500 interactions through Google Search and Google Display Advertising
- Assisted in generating over 11,000 leads for FDCA members via FDCA's Family Day Care Locator during the campaign

	MEDIUM	VOLUME	AUDIENCE	ASR
	TV	51	45,000	ASR \$17,029.56
	PRINT	33	533,833	ASR \$21,969.74
	ONLINE	31	N/A	ASR \$5,469.09
	RADIO	3	N/A	ASR \$112.52
	TOTAL	118	578,833	\$44,580.91

6.3 2019 NATIONAL FAMILY DAY CARE WEEK

National Family Day Care Week provides an opportunity for the family day care sector to unite and celebrate the amazing work done in the community by family day care educators and services across Australia.

The week provides a platform for FDCA to showcase family day care by generating media coverage of National Family Day Care Week celebrations held by educators and services Australia-wide and assists FDCA in raising the image and profile of the sector and positioning family day care as the natural choice in child care.

KEY OUTCOMES:

- 2019 National Family Day Care Week celebrations held during 6-12 May 2019
- Two "Picnic in the Park" celebrations held in Western Australia
- 64 celebrations registered across Australia
- Over 75 positive stories published in broadcast media with a total media reach of over 250,000
- More than \$98,000 worth of advertising space achieved through media stories

6.4 AWARENESS AND PERCEPTION BENCHMARK STUDY





A key project for FDCA during 2018-2019 was to establish a baseline measure of awareness and perception of users and non-users of family day care.

Understanding 'actual' awareness and perception will support FDCA in developing tailored and targeted messaging as we look to promote the sector and improve the image and profile of family day care.

This project has provided a benchmark by which to assess changes in awareness and perception, by examining both public (non-user) and parent (current user) awareness and perception of family day care.

KEY OUTCOMES:

- The awareness and perception study has been completed and produced benchmark levels for non-users and users of family day care
- Non-users: unprompted awareness 32%
- Non-users: positive perception 69%
- Current users: Positive perception +85 (Net Promoter Score)

	MEDIUM	VOLUME	AUDIENCE	ASR
	ONLINE	48	N/A	ASR \$33,959
	PRINT	22	194,258	ASR \$49,602
	TV	3	32,000	ASR \$15,179
	RADIO	2	N/A	ASR \$123
	SOCIAL	11	24,830	N/A
	TOTAL	86	251,156	\$98,863

6.0 PROMOTE (CONT.)

6.5 PREGNANCY, BABIES AND CHILDREN'S EXPO ROAD SHOW

During 2018-2019 FDCA continued to highlight the benefits of family day care in front of new and expectant parents by exhibiting at five major Pregnancy, Babies and Children's Expos. Our presence at the expos continues to raise the awareness of the family day care sector to a key target market.

KEY OUTCOMES:

- Target audience reach of over 60,000 across Australia
- Continued increase of awareness across the target market
- Opportunities provided for local services to engage with new and expectant parents in a face-to-face environment

6.6 MEMBER COMMUNICATIONS

As a member driven organisation, it is key that FDCA continues to keep our members informed in regards to key sector information as well as member initiatives.

KEY OUTCOMES:

- Four editions of JiGSAW magazine sent to all members in 2018-2019
- Weekly communications to members via our e-newsletter Family Day Care Matters with an open rate of 36.4%
- The introduction of a biannual e-communication, the FDCA Strategic Update, which informs members on the progress and outcomes of FDCA's member initiatives for the period
- Continued strong growth through social media with an increase of 76% in our Facebook following



7.0 ORGANISATION

To ensure FDCA meets its objectives as national peak body of the family day care sector, FDCA strives to enhance organisational capacity and agility.

STRATEGIC GOAL:

- Ensure sustainable, ongoing and valued services to members through innovation, diversification, organisational capacity, operational efficiency, good governance and strong financial management

7.1 ORGANISATIONAL CAPACITY AND AGILITY

During 2018-2019 FDCA undertook a number of strategic changes to ensure that organisational capacity and agility remained at an optimal level.

KEY OUTCOMES:

- The relocation of FDCA's office to smaller premises to accommodate a decreased number of office staff following the implementation of a cloud based call centre and the leasing of FDCA's former Gosford premises
- Constitutional change that saw the 'National Member's Forum' replaced with 'Advisory Committees' allowing FDCA a more agile and responsive mechanism for formal interaction with members across a variety of issues and initiatives

7.2 INSURANCE SERVICES

Throughout 2018-2019 FDCA continued to deliver its market leading insurance program to educator and service members. FDCA continues to review its ongoing compliance requirements to ensure that the policies we offer remain best practice while still being affordable and tailored to the specific needs of the family day care sector.

KEY OUTCOMES:

- Maintained market leading cover with no increase in premium
- Remained insurer of choice for providers and educators through competitive premiums and tailored comprehensive cover for the family day care sector

7.3 INFORMATION TECHNOLOGY

FDCA continues to review and enhance its technology capabilities; leveraging leading edge technology to continue to drive enhanced functionality and efficiency for our members and staff.

KEY OUTCOMES:

- Implementation of cloud based call centre software
- Initial stages of the development of new and upgraded online services to assist members in their day-to-day operations
- The development of the FDCA Professional Learning Portal designed exclusively for FDCA members to support them in delivering quality outcomes for children and encouraging and nurturing the delivery of high quality early childhood education and care to Australian children
- Ongoing review of current systems in place to ensure they are adequately and efficiently supporting FDCA to deliver its member services



8.0 FINANCIAL REPORTS

Please be advised that the following financial information has been extracted from the full Audited Financial Report of FDCA. This information does not represent a Financial Report pursuant to the Corporations Act 2001.


FAMILY DAY CARE AUSTRALIA LIMITED

ABN 93 094 436 021

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Family Day Care Australia Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there has been:

- (i) no contraventions of auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



MARK TINWORTH
CHARTERED ACCOUNTANT

North Sydney, 09 October 2019

TINWORTH & Co

CHARTERED ACCOUNTANTS and BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF FAMILY DAY CARE AUSTRALIA LIMITED

Opinion

We have audited the attached financial report of Family Day Care Australia Limited ("the company") which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of recognised income and expenditure, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the Directors' Report.

In our opinion, the accompanying financial report of Family Day Care Australia Limited is in accordance with the Corporations Act 2001, including:

1. giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards, and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Directors in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the financial report

The directors are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

WWW.TINWORTH.COM

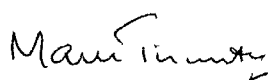
LEVEL 2, 66 BERRY ST NORTH SYDNEY NSW 2060 | P (02) 9922 4644 | F (02) 9959 3642 | ABN 43 624 513 140

Liability limited by a scheme approved under Professional Standards Legislation

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

- Identify and assess the risks of material misstatements of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by members.
- Conclude on the appropriateness of the company's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieved fair representation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MARK TINWORTH
CHARTERED ACCOUNTANT

Dated this 09th day of October 2019

FAMILY DAY CARE AUSTRALIA LIMITED

ABN 93 094 436 021

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 29 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and;
 - (b) give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the year ended on that of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors



Director:

Dated this 7th day of October 2019

FAMILY DAY CARE AUSTRALIA LIMITED
ABN 93 094 436 021

STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue – services & other revenue	2	4,495,071	4,965,323
Other income	2	45,142	45,599
Auditors, legal and other expenses		(9,500)	(12,500)
Depreciation and amortisation expenses	3	(121,866)	(120,144)
Employee benefits expenses		(2,039,827)	(2,200,252)
Occupancy expenses		(68,887)	(61,928)
Other expenses		(2,020,716)	(1,985,449)
Surplus/ (Deficit) before income tax		279,417	630,649
Income tax expenses		-	-
Current year surplus/(deficit)		279,417	630,649
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		279,417	630,649

FAMILY DAY CARE AUSTRALIA LIMITED
ABN 93 094 436 021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Profits	Total
Balance 1 July 2017	2,988,203	2,988,203
Surplus attributable to members of the company	630,649	630,649
Balance 30 June 2018	3,618,852	3,618,852
Surplus attributable to members of the company	279,417	279,417
Balance 30 June 2019	3,898,269	3,898,269

FAMILY DAY CARE AUSTRALIA LIMITED
ABN 93 094 436 021

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash & cash equivalents	4	2,678,794	3,474,553
Other financial assets	5	2,400	2,400
Other current assets	6	211,056	221,663
Total current assets		<u>2,892,250</u>	<u>3,698,616</u>
Non-current assets			
Property, plant and equipment	7	2,848,809	1,917,234
Total non-current assets		<u>2,848,809</u>	<u>1,917,234</u>
Total assets		<u>5,741,059</u>	<u>5,615,850</u>
Liabilities			
Current liabilities			
Trade and other payables	8	1,249,921	1,423,829
Employee entitlements	9	272,814	217,579
Total current liabilities		<u>1,522,736</u>	<u>1,641,408</u>
Non-current liabilities			
Employee entitlements	9	92,410	127,945
Borrowings	10	227,645	227,645
Total non-current liabilities		<u>320,055</u>	<u>355,590</u>
Total liabilities		<u>1,842,790</u>	<u>1,996,998</u>
Net assets		<u>3,898,269</u>	<u>3,618,852</u>
Equity			
Retained surplus	11	3,898,269	3,618,852
Total equity		<u>3,898,269</u>	<u>3,618,852</u>

FAMILY DAY CARE AUSTRALIA LIMITED
ABN 93 094 436 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash flow from operating activities			
Receipts from customers and other revenue		4,494,949	4,951,120
Interest received		25,189	45,599
Payments to suppliers and employees		(4,250,560)	(4,107,079)
Interest received		(11,895)	-
Net cash generated from operating activities	12	<u>257,683</u>	<u>889,640</u>
Cash flow from investing activities			
Proceeds from sale of assets		-	-
Payments for property, plant & equipment		(1,053,442)	(164,512)
Net cash used in investing activities		<u>(1,053,442)</u>	<u>(164,512)</u>
Net increase/(decrease) in cash held		(795,759)	725,128
Cash at beginning of financial year		<u>3,474,553</u>	<u>2,749,425</u>
Cash at the end of the financial year	5	<u><u>2,678,794</u></u>	<u><u>3,474,553</u></u>

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