

# KCCC

KENSINGTON COMMUNITY CHILDREN'S CO-OPERATIVE



Annual Report 2023



## **Acknowledgement of Country**

Kensington Community Children's Co-operative acknowledges the Wurundjeri people as the traditional custodians of country on which we learn, play, educate, nurture and connect with one another.

We pay our respects to their Elders, past, present, and emerging. We recognise their enduring connection to these lands, waters and community.

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## Kensington Community Children's Co-Operative (KCCC)

### Introduction

Kensington Community Children's Co-operative (KCCC) is a not-for-profit community-based early childhood education and care service. We offer education and care to children from 6 weeks to school age, including sessional and integrated kindergarten programs. KCCC employs around 75 dedicated staff and provides education and care to children from almost 300 local families each year.

### History

KCCC was established in 1982 in Henry Street, Kensington as a 35-place long day care centre. In 1996, when demand far exceeded the capacity of the existing premises, the City of Melbourne (CoM) built the facilities in Altona Street, alongside the existing kindergarten. In 2023, KCCC expanded from 140 licenced places to 166 (from February 2024).



## Annual Report 2023

The Board and Management of Kensington Community Children's Co-operative is pleased to present the Annual Report for the 2023 financial year. This report outlines the Co-operative's progress towards achieving the objectives of our strategic plan and the KCCC vision and aims for the future. The purpose of the Annual Report is to:

- provide an overview of the Co-operative's operations relating to education and care;
- communicate how the centre is performing;
- highlight key achievements;
- highlight performance and statistics; and
- provide a summary of KCCC's financial performance and position as at 31 December 2023.

If you would like further information on any aspect of this report, please contact the centre at [info@kccc.org.au](mailto:info@kccc.org.au).

## Message from the KCCC Board Chair

In May 2023, I was privileged to be appointed KCCC Board Chair, a role that I have been honoured to hold. As my family leaves KCCC after a 12-year association, we have been reflecting on how fortunate we have been, to have had the support and community that KCCC provides, felt by both our children and us, as parents.

I dedicate this message to our wonderful community of educators and families, who ensure KCCC remains a unique and special place for our children with care, nurturing and respect given every day.

While a year of achievement for KCCC, 2023 wasn't without its challenges. Like all organisations, balancing increased operating expenses due to inflation, with cost-of-living pressures felt by families, was important. I'm pleased that the financial position of the organisation remains solid and viable, with the ability to also invest for the future, as we navigate a difficult economic environment.

There has been significant progress achieved at KCCC over 2023/2024 in all our strategic focus areas including:

**Growth:** We acknowledge the Victorian State Government's \$600,000 'Building Blocks' funding that enabled facility upgrades to several rooms and playgrounds, being the most significant infrastructure enhancements made to KCCC in over 20 years. Completing the building works while keeping the service operational was a priority. We thank our educators and families for your flexibility during these times. The wonderful new facilities, which provide an additional 26 places for families in the area, will be enjoyed for years to come.

**Quality:** Ranked 'Exceeding' in the National Quality Standard, we continued our focus on excellent early childhood education programs and learning outcomes. This includes focus on diversity, inclusion and belonging, representing the community around us. Kitty Clark's appointment as KCCC's dedicated Pedagogy Practice Leader, has furthered advanced education programs, supporting educators in their everyday practice. Our excursion program continues to be sector-leading, providing children the opportunity to explore and interact with our surrounding community.

**Workforce and Culture:** Professional and self-development were priorities for our educators in 2023. The Kindergarten School Readiness Program meant allied health professionals including Body Safety Australia, psychology and speech therapy professionals were funded to work with educators in developing their skills. The appointment of Samantha Trimble, KCCC's dedicated People and Culture Manager, has given further focus to professional development programs and culture and engagement initiatives.

**Governance:** The implementation of our Board-endorsed Strategic Plan, which was released last year, has set a strong educational,

operational and financial framework for KCCC that will ensure continued future success. The Board also initiated external training on sector-leading governance in early childhood education to further validate and inform our governance and risk management approach.

**Community:** Community events, like our information sessions, room breakfasts, kindergarten graduation and events like KCCC's Welcome BBQ, complete with drums workshop, have been a great success in bringing families together. With a diverse events calendar, these activities have inspired community engagement, connection and been lots of fun!

In conclusion, all these achievements would not be possible without the support of many people including:

- Our 'Better Together' fundraising team for their relentless efforts in getting our community together for the Spooktacular Halloween event, pie drives and book fairs, securing critical funding to advance programs and facilities across KCCC. We are extremely fortunate to have such a committed group of parent volunteers who strive to provide the best environment possible for our children.
- To our KCCC Board Members, I thank you for your contribution, energy and dedication during the past year and for the insights and expertise they each bring to overseeing KCCC's activities. I especially acknowledge retiring board members including office bearers Evette Castle (Treasurer) and Belinda Furse (Secretary) and Directors, Adam Clarke and Nick Laurie. I thank them for their dedication and outstanding contribution to KCCC over many years.
- Once again, I thank our wonderful educators for delivering learning outcomes and great experiences for our children and families every day. You make an enormous difference.

On a personal note, it has been an absolute privilege to Chair the Board and work closely with the Management team, notably Suzie, Oliver, Sam, Kitty, Megan and Yvonne, along with community partners and families as we continue to achieve the early learning and community ambitions of KCCC.

I will be forever grateful to have experienced the special culture of KCCC and believe that I speak for many families in expressing this sentiment.

Thank you to everyone for the outstanding progress made over the last 12 months and the momentum created for the future.



**Sarah McCartney**  
KCCC Chair

## KCCC Board

KCCC is a parent-managed centre whose parents are members. The members appoint the Board of Directors of the co-operative. The board has a governance role and sets the mission, vision and strategic plan for the centre.

The board also appoints the General Manager, who is responsible for the management of the centre. We thank the following people who held positions on the KCCC Board during 2023.



**Sarah McCartney**  
Chair (from May 2023)



**Kate Zimet**  
Chair (retired May 2023)



**Evette Castle**  
Treasurer



**Belinda Furse**  
Secretary



**Adam Clarke**  
Director



**Nick Laurie**  
Director



**Sam Buckley**  
Director



**Jackie Moss**  
Director



**Jordan Lloyd**  
Director



**Rebecca Zimet**  
Director



**Sharu Varghese**  
Director (retired May 2023)



**Sophie O'Connor**  
Director (retired May 2023)

## KCCC Strategic Plan: 2024-2026

### Our purpose

Our purpose is to empower children to be lifelong learners connected to community and culture.

### Our values

Our values reflect our commitment to excellence in all that we do:

- **Learning** – we pursue the highest quality outcomes for children and their families
- **Community** – we care about our community and invest to build connection, participation and belonging
- **Inclusion** – we are intentionally diverse, culturally intelligent and act with fairness and respect
- **Collaboration** – we work as a team and with others to be greater than the sum of our parts
- **Innovation** – we encourage creativity and strive for continuous improvement and excellence

### Our strategic direction

We are committed to providing the highest quality early childhood education and care with and for our community. That means stretching ourselves to meet the expanding needs of children, families and community stakeholders within the expectations and requirements of an evolving sector. Our strategy outlines KCCC's commitment to proactively grow and adapt to ensure we remain a meaningful and valued part of the Kensington community for many years to come.

### Our strategic priorities

Over the next three years, KCCC will work to achieve five strategic priorities:

- **Growth** – advance and sustain our provision and capacity to meet community needs into the future
- **Quality** – be recognised as a high-quality service known for its innovative and adaptive pedagogy
- **Workforce** – establish a reputation as an employer of choice in the sector
- **Community** – further strengthen our collaborative relationships with families and community
- **Governance** – better align our governance and operations with sector standards and best practice

## KCCC Philosophy

2023 saw the birth of a new philosophy for KCCC formed with educators, children and families. It provides a clear direction and inspiration that guides our practice, pedagogy and decision making each day

We acknowledge that all Australian children have a right to know and value the history and current context of Aboriginal and Torres Strait Islander peoples and the stories of the land on which they live. We genuinely commit to discussing Aboriginal people's history, culture, and spiritual connection to the land.

Our philosophy is a reminder of the commitment and values that we share in our service, a recognition of what drives our work and how we can ensure that our pedagogy and practice are thoughtful, responsive, and creative.

KCCC embraces excellence and contemporary practices and fosters collaboration between and with children, families, and the community. We are committed to providing contexts that develop a culture of lifelong learning so every child can maximise their full potential.

Through our philosophy we commit to:

- **Continue learning about and embed Aboriginal and Torres Strait Islander perspectives**

We acknowledge that all Australian children have a right to know and value the history and current context of Aboriginal and Torres Strait Islander peoples and the stories of the land on which they live. We genuinely commit to discussing Aboriginal people's history, culture, and spiritual connection to the land.

- **Respect children as active participants, capable and competent rights holders**

We seek to understand each child's identity and heritage and support their wellbeing by being culturally responsive. Each child has had unique and diverse experiences, and we welcome their questions, thoughts, theories, and ideas to create wonder, motivate learning and stimulate the imagination.

- **Ensure learning is intentional and visible**

Play is a critical and essential context for young children's learning. We recognise our professional responsibility to ensure that all children have opportunities to engage in learning experiences designed with intentionality. We uphold each child's right to agency and balance this with experiences that develop self-regulation skills.

- **Making collaborative relationships with families fundamental to our work**

Children are born connected with family, community and culture and the relationships they develop in the early years are formative and crucial to their sense of belonging. We listen to our community as a catalyst for learning and seek to honour the social and cultural events that are important to them.

- **Respect families' diverse perspectives and aspirations for their children**

Educators honour every family and consider their perspectives, culture, language, traditions, and lifestyles. We seek ways to develop learning communities to build shared understandings of each other's expectations and to build on the strength of each other's knowledge.

- **Foster a sense of belonging to community**

We advocate for children to be visible, vocal, and active in the local community and actively seek to foster community connections. We listen to our community as a catalyst for learning and seek to honour the social and cultural events that are important to them.

- **Educators collaborate with children to create the curriculum**

Careful thought and consideration are given to the importance of the physical, social, and temporal environments. Learning environments are essential to our stakeholders, and we commit to ensuring that these learning contexts for children, families and staff are contemporary and relevant.

- **Sustainable ways of caring for people and the world**

We seek to promote three dimensions of sustainability; environmental, social, and economic. We utilise sustainable practices in our quest for children to develop a deep connection and appreciation for the natural environment.

- **Build a culture of learning, respect and teamwork**

Our staff are integral and essential to the quality of the programs we offer, and we acknowledge their professionalism. We encourage collaborative leadership that goes beyond formal leadership positions to include leadership by children and educators; we seek to cultivate mutually responsive relationships.



## Commitment to Child Safety

- KCCC is committed to being a child safe organisation. We defend childhood as a valuable stage of life in its own right, which we honour, celebrate and treasure. We seek to understand each child's identity and heritage and support their wellbeing by being culturally responsive.
- We are committed to the rights of all children to feel safe and be safe at all times, to always acting in the best interest of each child and we have zero tolerance of child abuse.
- We are committed to ensuring our team are aware of the service's expectations regarding positive, respectful and appropriate behaviour; acceptable responses; warm, trusting and reciprocal interactions when working with children and families.
- We actively manage the risks of abuse or harm to each child, including fulfilling our duty of care and legal obligations to protect children and prevent any reasonable, foreseeable risk of injury and harm.
- We commit to create a culture of child safety at KCCC and in the community, with children, families, educators and teachers. We will continue to work on understanding and implementing the Child Safe Standards to achieve better outcomes for children.



## Victorian Child Safe Standards

**Standard 1:** Organisations establish a culturally safe environment in which the diverse and unique identities and experiences of Aboriginal children and young people are respected and valued.

**Standard 2:** Child safety and wellbeing is embedded in organisational leadership, governance and culture.

**Standard 3:** Children and young people are empowered about their rights, participate in decisions affecting them and are taken seriously.

**Standard 4:** Families and communities are informed and involved in promoting child safety and wellbeing.

**Standard 5:** Equity is upheld and diverse needs respected in policy and practice.

**Standard 6:** People working with children and young people are suitable and supported to reflect child safety and wellbeing values in practice.

**Standard 7:** Processes for complaints and concerns are child focused.

**Standard 8:** Staff and volunteers are equipped with the knowledge, skills and awareness to keep children and young people safe through ongoing education and training.

**Standard 9:** Physical and online environments promote safety and wellbeing while minimising the opportunity for children and young people to be harmed.

**Standard 10:** Implementation of the Child Safe Standards is regularly reviewed and improved.

**Standard 11:** Policies and procedures document how the organisation is safe for children and young people.

## Growth

In 2023, we were excited to be successful in obtaining a 'Building Blocks' grant from the Victorian Government, securing funding of \$600,000 to upgrade some of the facilities at the centre and expand our kindergarten program.

The grant, along with funds contributed by KCCC, was used to upgrade our rooms to create contemporary indoor and outdoor learning spaces and enables KCCC to provide 19 additional kindergarten places and 7 more long day care (LDC) places each day. We were able to increase our capacity by an additional 26 places from 2024 and beyond.

We had a very busy year in 2023 planning and delivering this project while remaining operational to all our current families. Thankfully, with the ongoing support and understanding of our community, works were completed in December of 2023! We have achieved our vision to open, modernise and connect existing spaces to continue developing the centre's "community feel".

This project included major works across the centre, such as:

- Refreshed and upgraded kindergarten and LDC rooms
- Installation of moveable wall partitions or doors to create flexible teaching spaces
- An increase to the outdoor areas which includes beautiful and inviting natural play spaces
- Innovation of storage and upgrades to the children's toilets and nappy changing areas.

So far, in 2024, the expansion has enabled the centre to open its doors to 58 new families! We asked the children at KCCC for their views on how they are enjoying their newly finished upgraded centre and they told us:

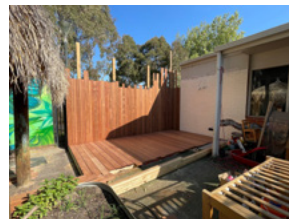


I like it, I can see my baby brother through the wall now.

Beatrix, 3



It took a very long time but now we can use it. Tigi, 4



I just like the new wall! Matilda, 4

While building works were underway, we took the opportunity to expand our popular local excursion program to seek learning opportunities through immersive community experiences and education during the building works. We are grateful for the generosity and support of local organisations and groups which provided alternative learning spaces so we could remain open for all children and families during construction. Our excursion program included the risky play adventure playground at The Venny, the 6th Melbourne Scout Group Hall and JJ Holland Park during this time. Our regular community program includes visits to the National Gallery of Victoria, the Melbourne Museum, Scienceworks, local libraries, the Kensington Neighbourhood House and other wonders on our doorstep.

We extend our gratitude to all current families along with alumni who have made the centre what it is over the past 27 years, and we look forward to continuing to offer quality education and care for local children and families for years to come.



## Quality

Our focus on quality improvement this year was to build on our strengths and learnings from the 2022 assessment and rating. Our Quality Improvement Plan (QIP) included goals to inspire continuous improvement in the team and this was supported by professional development and small group sessions where we could discuss practice and how we could implement learnings.

Our overarching objective was on Quality Area 7: Governance and leadership, which is how we contribute to quality environments for children's learning and development at KCCC. This goal was to review our statement of philosophy, including our commitment to child safety to ensure it continues to reflect our team, families and community. The philosophy statement is a living document that guides all aspects of operations, it is 'what we do and why we do it.' We achieved this goal which provided clear direction for our service, in conjunction with our new Strategic Direction and refreshed purpose. It set the scene for great energy and effort for our quality priorities this year. These included:

### **Quality Area 2: Children's health and safety - to implement the new child safe standards.**

Our aim was to create a child safe culture with demonstrated leadership and commitment to child safety and wellbeing. The Child Safe Standards commenced in Victoria in January 2016. Since July 2022, organisations covered by the Standards have had to comply with 11 new Standards. Changes in 2022 and 2023 have made the Standards even stronger. The Standards set out minimum requirements and outline the actions organisations must take to keep children and young people safe.

Action in this area of improvement included learning about the child safety standards, how we ensure we meet our commitment to child safety and ensure children feel safe and be safe at all times. These included a review of policy and practice, considering and updating



our commitment to child safety in consultation with staff and families, participating in professional development about best practice in child safety and participating in facilitated discussion groups to reflect on how we can apply these learnings in our practice. The Board participated in training about the child safety standards, and it was a regular focus of discussion and development. This aligns with our service philosophy as we believe the rights, needs and interests of children are paramount and safeguarding children is our highest value. Our work on child safety will be an ongoing area of quality improvement as the standards evolve and we reflect on how we embed child safety and wellbeing into our service.

### **Quality Area 1: Educational Program and Practice was a priority for continuous improvement. Our goal was to continue to build on our planning and assessment skills to ensure we take a planned and reflective approach to implementing a program for each child.**

We worked with Circularity Consulting throughout the year on the 'Inclusive Curriculum Design'. This focused on improving how the educators use of the planning cycle process to ensure that every child participates in quality kindergarten experiences that maximise their learning and development. The program introduced tools to support us to maximise the potential of our planning cycle process to provide innovative solutions to children's equitable inclusion in the program. It included new tools to support planning, reflection and documentation, these new approaches will underpin our approach to consistent curriculum design across the service.

This project also linked to our goal in Quality Area 6: Collaborative partnerships with children, families and communities: To become more culturally inclusive in the way we recognise and celebrate with our diverse team, families and communities.

We achieved a lot this year in our quest for quality improvement. These goals will flow onto next year as we continue to strive to improve outcomes for children at KCCC.

## Workforce

KCCC's workforce is comprised of a diverse group of professionals dedicated to nurturing the growth, development and education of children aged from 6 weeks to school age. In total, we have around 75 staff whose qualifications range from Certificate III to Diploma and Early Childhood Teacher qualifications.

We place great emphasis on fostering a culturally safe environment, a commitment upheld by our multicultural team that all share a commitment to the education and wellbeing of children and families. Our staff members hail from various backgrounds, enriching our centres community with their diverse perspectives and experiences which reflects the community in which we work with in Kensington.

The average tenure for our staff is 5.5 years, with some individuals boasting over 27 years of service. This enduring dedication speaks volumes about the positive work environment and supportive culture we strive to cultivate.

Our focus for 2023 and beyond is to build a culture of fairness, accountability, best practice and transparency in line with KCCC values and philosophy where employees are happy and proud to work and contribute to the achievement of goals.

To achieve this we have been reviewing, updating, and implementing systems related to staffing and staff engagement. These include implementing HR Policies and Procedures, conducting a review of the management and administration team structure and roles and responsibilities to ensure it supports the operations and education team, as well as building robust recruitment, performance and training systems.

We take pride in celebrating the achievements of our team members. Last year, we congratulated the following KCCC staff members on the successful completion of their studies:

- **Tien** – Certificate III in Early Childhood Education and Care
- **Ying** – Bachelor of Early Childhood Education
- **Amelia** – Master of Teaching (Early Childhood and Primary Education)
- **Agnes** – Certificate III in Early Childhood Education and Care
- **Natasha** – Master of Teaching (Early Childhood and Primary Education)



We place great emphasis on fostering a culturally safe environment, a commitment upheld by our multicultural team

Another way we ensure the continual improvement of KCCC's workforce is by prioritising the professional development of our staff throughout the year. These training opportunities are diverse, ranging from hands-on mentoring sessions to whole-centre consultations. Here's a snapshot of some of the highlights from 2023:

#### **JANUARY - Staff Professional Development and First Aid sessions**

The first two pupil-free days of the year are always an exciting start to the year for our team. It offers our team invaluable time to reconnect with colleagues, fulfill necessary annual qualification renewals, begin planning for the year, and set up classrooms and outdoor environments for the year to come.

**Day 1** commenced with a smoking ceremony held in KCCC's yard, led by Thane, a First Nations representative from Wurundjeri Education. Thane welcomed us to country, offering insight to his cultural heritage. The ceremony served as a cleansing ritual, allowing our staff to walk through the smoke to enter the new year both physically and spiritually refreshed.

Following the ceremony there was a brief introduction to the year from the Management team and the former chair of KCCC's Board, Kate Zimet. Then it was time for our team to disperse into their new spaces for the year and commence preparations for the new year.

To conclude the day, the team took a bus to the City of Melbourne Bowls club for barefoot bowling, fostering camaraderie and team spirit.

On **Day 2**, we facilitated First Aid, CPR, Anaphylaxis and Asthma training for our team both onsite and at Kensington Town Hall. These sessions equip our team with the vital skills to ensure the safety and well-being of the children in our care.



Pupil-free set up days provide an opportunity for our team to critically reflect on the past year and collaboratively plan how we can enrich the experiences of the children at KCCC, striving to make each year better than the last.

#### **NOVEMBER - Staff Body Safety Superstars sessions**

Inspired by our drive to consistently improve our centre's child safe practices and understanding, we ran KCCC's first Body Safety Superstars session. This program aims to empower and educate children on their right to body autonomy and to equip all members of the child's community with the tools to prevent child sexual abuse.

This session marked a significant milestone in our efforts. This session built upon previous parent and children's information sessions to enable consistent approaches to support children to build confidence and resilience, and to empower them to be safe in a variety of situations.

The facilitation of prevention education equips communities with strategies and knowledge to address the root cause of the violence: through educating children about respectful relationships, consent, autonomy and help seeking behaviours.

This complements our ongoing critical reflection on best practices, ensuring that our environment remains emotionally, physically and culturally safe for all children, families and staff at our service.

### **CIRCULARITY CONSULTING**

In 2023, KCCC embarked on a transformative journey of professional development with the esteemed guidance of Circularity Consulting, led by Kerrie O'Neill and Catharine Hydon, who have over 65 years of combined experience in early years education.

Throughout the year, our engagement with Circularity Consulting covered a diverse range of topics such as child safety, aligning community values with curriculum, programming and planning, as well as various other aspects of early years education. Each session provided a platform for robust discussion and exploration.

These sessions cultivated a professionally dynamic environment, prompting our staff to reflect on current practices, challenge assumptions, and seek innovative solutions. The exchange of ideas and the introduction of the new findings in early years education enriched our understanding and empowered us to elevate our standards continually.

As we look ahead to 2024, our commitment to fostering excellence remains unwavering. We are delighted to continue our partnership with Circularity Consulting as we aim to further enhance our practices, ensuring that we remain on the forefront of delivering quality education and care to children in our community.

## Pedagogy and Practice

Rich and meaningful learning supported by authentic community connections were thoughtfully planned and prioritised for children across our educational programs in 2023.

- Nature pedagogy continued to be an integral ethos in our setting; children's love and respect for the environment, flora and fauna was evident as they participated in daily practices including gardening, composting and recycling in our natural space. Constantly inspired by the changing seasons and the range of visiting creatures in our garden, children researched the Kulin Seasons, investigated insects and pollinators, were encouraged to connect with natural materials and explored with all senses!
- Extending on our Reconciliation Action Plan (RAP) work to embed First Peoples' perspectives in our curriculum, programs unpacked The Voice Referendum with children and shared their thinking and insights with families. KCCC continued allyship with First Peoples and worked with children to explore democracy in action during such a historic time for our country. Waratah Kindergarten group, who felt a strong sense of social justice and authentic respect for others, made signs in support of Aboriginal people and marched in support in our yard.



- Women's World Cup fever hit Melbourne and sparked a huge interest in soccer and inspired many visits to JJ Holland pitch. We saw an increased interest in sport, particularly from girls who could see representation and connected with the Matilda success.
- As always, our beloved excursion program was very successful in extending children's curiosities and connecting with play-based learning opportunities throughout the local community. Regular outings around Kensington and excursions to Melbourne Museum, National Gallery of Victoria and Marvel Stadium were highlights throughout the year. Excursions to local schools, Kensington Primary and Holy Rosary, helped kindergarten children prepare for the transition to school.
- Capital works impacted the physical environment at KCCC and children navigated sharing their playground with builders and trades people. Coupled with the busy YMCA redevelopment construction site next to the service, this made our busy setting even more dynamic. As the structural changes evolved, staff and children relied on the kindness of local organisations including The Venny and The Kensington Scout Hall who allowed us to use these spaces to run our Kindergarten program. Children joined the Kensington Neighbourhood House community art project and played board games with seniors for Social Inclusion Week.



- A commitment to child safety and empowering children’s rights and autonomy saw KCCC work with Body Safety Australia to facilitate the Body Safety Superstars program for 3- and 4-year-old kindergarten groups; parents and educators received training and information sessions as well.
- School Readiness Funding connected educators with allied health professionals from Co-Health who facilitated onsite professional coaching sessions to build up our professional toolbox, strengthening our teaching strategies in Psychology and speech development. This consultation supported inclusions and reflective program design across the Kindergarten rooms.

- Book Week and National Simultaneous Storytime promoted the importance of fostering a love of literacy for children and families, and children enjoyed dressing as their favourite book or character. Books were encouraged as transition objects for children who struggled to separate at drop-off times; these became powerful provocations for learning throughout the day and helped educators support children’s emotional regulation. Wellbeing work focusing on naming and recognising feelings, co-regulation and self-regulation techniques to support children’s resilience, and social and emotional wellbeing. Yoga, breathing and guided meditation experiences were planned for all.
- Children participated in initial consultation design workshops with City of Melbourne contributing their ideas to the up-and-coming development of Chelmsford St Open Space, Kensington.





# Community Connections

## Excursion programs

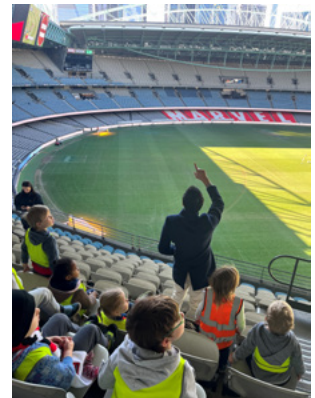
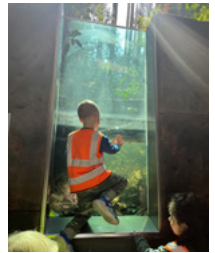
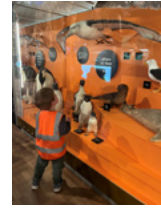
- Newell's Paddock and Maribyrnong River
- Kensington Neighbourhood House
- The Venny
- The Scout Hall
- Kensington Primary School
- Holy Rosary School
- Melbourne Museum
- Federation Square
- Koorie Heritage Trust
- National Gallery of Victoria
- ACMI
- The Ian Potter Centre
- Birrarung Marr
- Marvel Stadium

## Events

- Welcome Evening
- Working Bee
- Body Safety Superstars Parent Session
- Spooktacular Soiree
- End Of Year Family Evening

## Organisations

- The University of Melbourne
- Australian Catholic University
- Deakin University
- Victoria University
- City of Melbourne
- The Venny
- Kensington Neighbourhood House
- Simonds Catholic College



## Governance – Sub-Committee Reports

### Better Together Sub-Committee

The Better Together Sub-Committee is KCCC's community engagement and fundraising sub-committee. In 2023, the Better Together Sub-Committee worked with management to coordinate social events, including the end of year celebration picnic, the Christmas Wishing tree (donating goods to Kensington Neighbourhood House) and the Welcome event, and managed a number of fundraising events including:

- the Spooktacular Soiree – a night of fun, fancy dress and fundraising, which helped raise over \$14,000
- the second-hand book store – inviting families to donate their prwe-loved books and to re-sell them to other families, raising over \$1200
- the Pie Drive – encouraging families to stock up on delicious pies from the famous Tony's Pies in Essendon, raising over \$1600

In 2023, the Better Together Sub-Committee raised over \$17,000 which helped fund some of the renovation works and the upgrades to the Yarragum Yard – a great achievement!

The Better Together Sub-Committee is looking forward to another strong year of fundraising and community connection in 2024.



### Risk and Compliance Sub-Committee

The Board Risk and Compliance Sub-Committee was established in 2023 with the stated objectives of:

- Assisting the Board in discharging its responsibilities relating to the management of risks;
- Assisting KCCC and the Board in complying with obligations under any applicable laws and regulations;
- Assisting the Board in ensuring that KCCC at all times has a proper system of risk management; and
- Reviewing and making recommendations to the board in relation to any incident involving a break down of KCCC's internal controls.

The major focus of the Risk and Compliance Sub-Committee in 2023 has been to create a Strategic Risk Register that identifies, rates and describes controls and treatments of the most significant risks facing KCCC. The process has involved collaboration with the wider KCCC board and KCCC management. The Strategic Risk Register is a key tool in helping manage risks faced by KCCC.

2024 will see the Risk and Compliance sub-committee build on this and focus on ensuring compliance with standards and regulations.

### Capital Works Sub-Committee

It was a big year for the Capital Works Sub-Committee with the major works completed across KCCC after receiving the Building Blocks Grant which we applied for in late 2022. This saw us undertake a significant amount of work across the Centre which was completed across 2023. Construction brings with it a number of challenges and our works were no different, with staff, parents and our children having to adapt to displacement across the year and be adaptable at times to the changing environment.

Ultimately, we have ended up with an amazing result with the updated layout and bathrooms in AppleTree and the Garden area in Yarragum being a particular highlight. The Children have expressed just how much they love the refreshed spaces and we brought the project in on the expected budget.

Big thank you to retiring Board members Adam Clarke and Evette Castle for their diligent work to deliver this work, as well as Gary Beck who joined the sub-committee to offer his assistance to the Project and returning board member Jackie Moss.

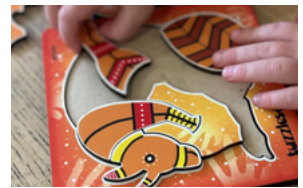
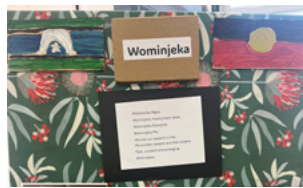
## KCCC Reconciliation Action Plan

In 2023, KCCC's commitment to embedding Aboriginal and Torres Strait Islander perspectives into our programs and practices continued to shape our daily conversations and learning experiences with children. Staff, families and children contributed to extending the service's fourth Reconciliation Action Plan (RAP) as part of our reconciliation journey and responsibility to ensure KCCC is a safe and inclusive space for all. It is through our continued action we commit to working in ways that reflect the rich diversity of the First Nations People. We acknowledge that all Australian children have the right to know and value the history, culture, knowledge, and spiritual connection to the land which First Nations People hold sacred. We aspire to become culturally intelligent by fostering relationships with Aboriginal people and organisations, acknowledge that we play and learn on Wurundjeri country and recognise that sovereignty was never ceded in this country.

Our KCCC community will continue co-learning and co-teaching, making our reconciliation journey one of togetherness. Our RAP goes deeper in positioning KCCC as allies for Aboriginal people.

### Our aim is to:

- Continue creating a culture where Aboriginal and Torres Strait Islander people feel welcome and respected as members of our early learning community.
- Through these connections, and by talking and actively listening together, we will respectfully foster the sharing of knowledge, as we recognise that understanding is gained, and relationships are sustained in this way.
- We will continue to ensure that First People's voices and languages are actively heard in our programs.
- Our commitment to caring for country plays a significant role in our programs and thinking and will continue to be a focus in the implementation of our RAP.

### Actions

- We engaged with members of the Wurundjeri Tribe who joined staff on the first day of opening for 2023 and performed a Welcome to Country and Smoking Ceremony to officially signify the beginning of the teaching year for the KCCC community. This beautiful experience set the tone of respect and togetherness for the year to come.
- We explored the complexities of the historic Voice Referendum with our children and community as it transpired across the social landscape.
- Educators underwent professional development in native Australian food and gardening, building knowledge of native produce and plants and incorporating them into everyday life and practices, Wurundjeri history and culture as it relates to family and place, including the gathering and sharing of food and resources. The purpose of this training was to work in partnership with Co-Health, with the desired outcome of equipping our team with knowledge of how to grow healthy and nutritional bushfoods, and to learn to incorporate them into our menu at KCCC.
- We purchased authentic Aboriginal and Torres Strait Islander educational resources and ensure we acknowledge the artist/creators.
- We increased our catalogue of children's storybooks written by Aboriginal and Torres Strait Islander authors and illustrators.
- We continued teaching children about Kulin seasons to learn about country.
- We supported children to introduce more native plants into the KCCC garden.
- We participated in the VACCA Morning Tea for Culture, and our generous families donated funds to support Aboriginal children in care.
- Teams explored the themes of National Reconciliation Week 'Be a Voice for Generations' as well as NAIDOC Week 'For Our Elders' with children.

## 2023 Financial Commentary

The financial result for Kensington Community Children's Co-operative (KCCC) in 2023 was a \$523k surplus (2022: \$242k deficit). After adjusting for the Victorian State Government's Building Blocks grant (as detailed below) the operating result was a \$17k deficit. Operating revenue increased with higher occupancy, increased kinder funding and a mid-year fee increase (aligned to the financial year and Child Care Subsidy). Expenses increased with continued higher staff coverage requirements in the first half of the year and the annual award increases, along with the impact of higher inflation increasing other operating costs.

INCOME AND EXPENDITURE			
	2023 \$'k	2022 \$'k	Change %
Operating revenue	5,101	4,547	12%
Expenses	(5,118)	(4,789)	7%
<b>Operating Surplus/(Deficit)</b>	(17)	(242)	
Building Blocks grant – revenue	540	-	-
<b>Surplus/(Deficit)</b>	523	(242)	

### Building Blocks grant – accounting treatment

In 2022, KCCC applied and was successful in receiving a \$600k Victorian State Government Building Blocks grant through the 'Free Kinder' initiative which is part of the Best Start, Best Life reforms. These grants were provided to services to modify and expand their existing operations and increase the number of licenced places to accommodate the increase in 'Free Kinder' hours in the coming years. As part of the grant conditions, KCCC had to contribute \$75k to the works and commit to an increase of 22 licenced places.

Throughout 2023, a number of rooms were reconfigured to maximise child educator ratios and provide flexibility across the service, and the outdoor spaces were also reconfigured to ensure alignment with the increased number of places. Overall, KCCC achieved an increase of 27 licenced places taking the service to 167 licenced places.

The relevant accounting standards require the grant to be recognised as revenue as the grant milestones are completed. This resulted in \$540k of the grant being recognised in 2023 and the remaining \$60k to be recognised in 2024. This revenue has been excluded from the operating result as depicted in the 'Operating Surplus/(Deficit)' in the table above.

However, the relevant accounting standards require the cost of the building works to be classified as an asset (leasehold Improvements) on the balance sheet, and is to be depreciated over 10 years. The depreciation expense will be excluded from the operating result for the 10 years from 2024.

KCCC funded the \$75k grant contribution, along with some additional upgrades resulting in the additional 5 licenced places, from retained earnings as part of the Board's capital reinvestment initiatives.

### Revenue from operations

In 2023, the revenue from Parent Fees and Government funding increased by 10.5%. The increase is attributable to an improvement in occupancy to 95.4% (2022: 93.2%) and an increase in kinder funding through the state government 'Free Kinder' initiative, partially offset by lower Parent Fees with a reduction in the long day care kinder fees and the removal of sessional kinder fees (both fees adjusted for the increased government funding from the 'Free Kinder' initiative).

In addition to operating revenue streams there was an increase in interest income due to rate rises, and fundraising revenue as the Better Together committee brought our community together for a numbers of events which haven't been held since pre-Covid.

by a decrease in casual staffing as the amount of leave taken reduced in the second half off the year. Operating and children's expenses increased due to higher occupancy, inflationary pressures and increased use of external venues such as The Venny and the Scout Hall to accommodate the building block work.

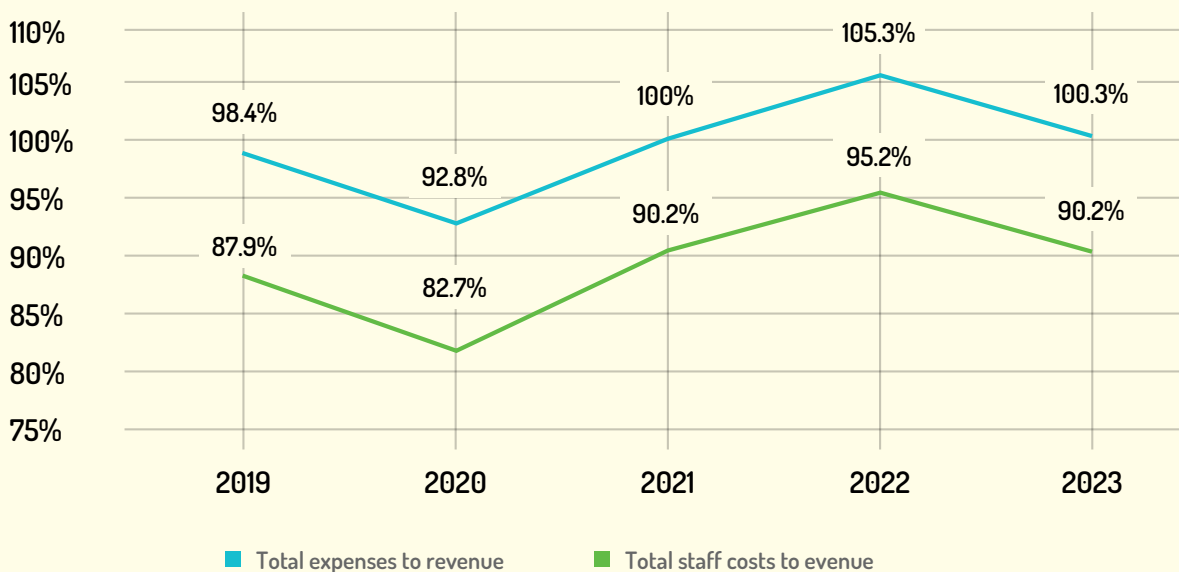
Thanks to the support provided by the City of Melbourne in relation to property rental, cleaning and maintenance services; we are fortunate to be able to have lower operating costs than we may otherwise face. The City of Melbourne has indicated that KCCC will be responsible for these costs from January 2025. This increase in operating costs in future periods will be tightly managed to minimise the increase in fees to families.

### Expenses from operations

Expenses increased across labour, operating and children's expenses due to a number of factors. Labour is the services largest expense, increasing 6.3%, attributable to the annual award increase (4%), salaried staff increments, superannuation employer contribution rate increase and increased WorkCover premium. This was partially offset

The chart below presents expenditure as a percentage of operating revenue from both a total and staff only perspective. The percentage increase experienced in 2022 was driven by increased labour levels due to staff utilising leave after the COVID-19 pandemic, whilst the lower percentages in 2020 was due to the significant COVID-19 Government funding received. The percentages in 2023 are consistent with those in 2021.

EXPENSES AS % OF REVENUE



**Note:** The Building Blocks funding grant has been deducted from total revenue in the above chart to enable meaningful comparison of operating revenue and expenses between periods

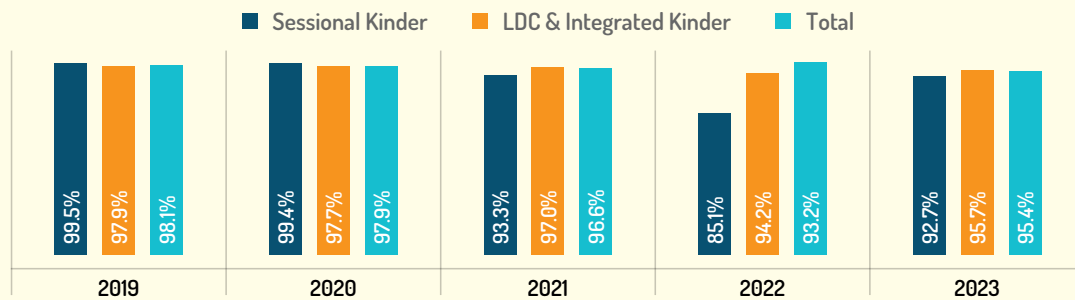
## Occupancy

During 2023, average occupancy was at 95.4% across all programs at KCCC. Whilst this was a 2.2% increase on 2022, we're yet to get back to the occupancy levels pre-pandemic (98%). There are a number of factors that have impacted occupancy levels over the last few years, including a significant number of families leaving the area during the pandemic, the introduction of the state government's 'Free Kinder' initiative coupled with the impact of flexible working post pandemic, which has changed how families manage their care requirements. The building works completed during 2023 reconfigured the rooms to maximise capacity per ratio requirements, and provides the service with more flexibility to accommodate the changing requirements from families as the 'Free Kinder' initiative grows over the coming years.

As a not-for-profit service that seeks to achieve a break-even result, high occupancy levels that maximise revenue are critical to the service remaining financially stable. High occupancy also ensures we are making available to our families as many places as possible and serving our community's needs for early childhood care and education to our maximum capacity.

The number of licenced places increased from 140 at the start of 2023 to 166 in February 2024 at the completion of the building works. The service is available for children aged between 6 weeks and school age, and offers families long day care, integrated kindergarten and sessional kindergarten programs.

ANNUAL OCCUPANCY 2019 - 2023



LICENCED PLACES

	Jan-Sep 2023	Sep-Dec 2023	2024* (from 1 Feb)
<b>Long day care</b>			
Yarragum	12	12	20
Gumnut	12	17	17
Wattle	12	16	16
Banksia	8	12	12
Acacia	16	16	16
<b>Integrated Kindergarten</b>			
Apple Tree	30	30	33
Waratah	16	16	16
Boronia	16	16	16
<b>Sessional Kindergarten</b>			
Tea Tree	18	20	20
<b>Total Licenced Places</b>	<b>140</b>	<b>155</b>	<b>166</b>

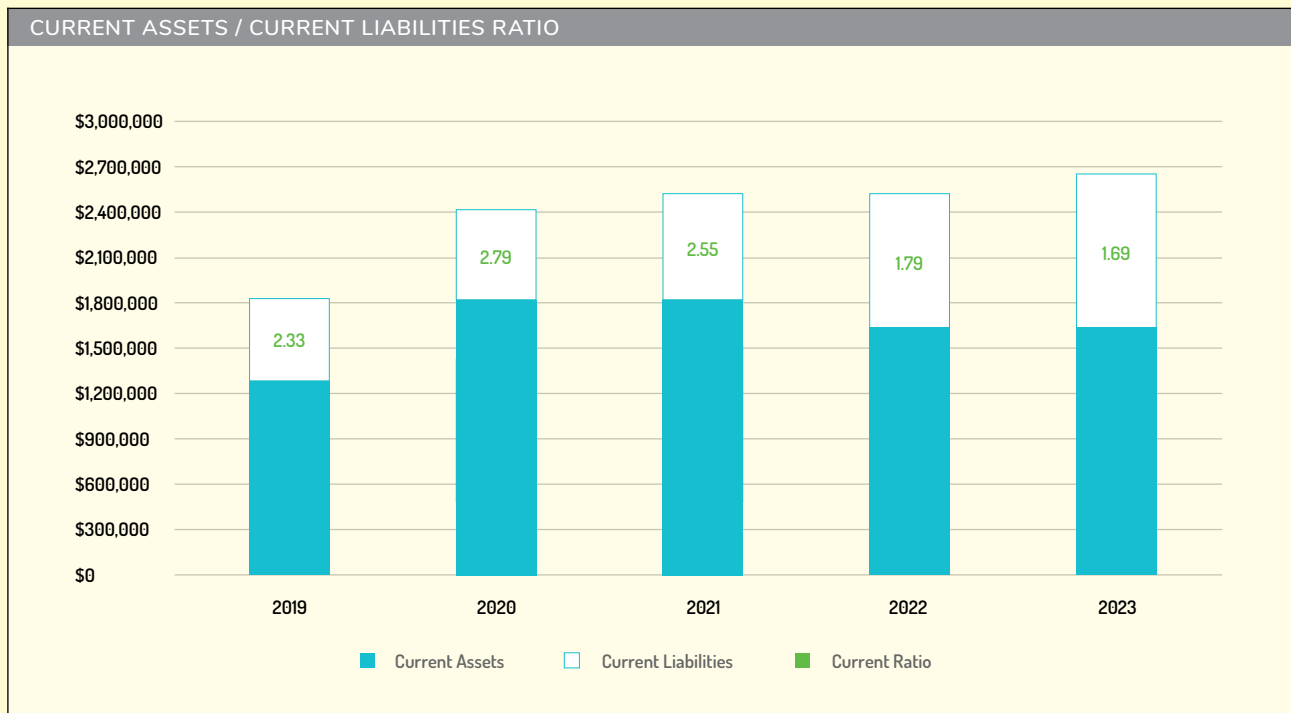
\* The room allocations for 2024 have changed, with different rooms allocated to long day care, integrated kindergarten and sessional kindergarten to maximise occupancy based on family demand across the service offering.

### Long Term Financial Viability

In 2023, KCCC commenced a reinvestment program upon receiving the \$600k Building Blocks grant from the state government at the end of 2022. Given KCCC’s strong financial position there are future plans to further reinvest and continue to upgrade both the internal and external facilities. Long-term planning is based on continuing to deliver annual breakeven results whilst utilising the retained earnings for reinvestment. The impact of reinvestment has reduced current assets and increased non-current assets, which impacts the

Current Ratio calculation. This ratio shows the service’s ability to repay short-term obligations and the ability to absorb sudden operational changes such as the impact of staff coverage post COVID. As the service is in a reinvestment phase, the target metric is to maintain a ratio greater than 1.5.

The chart below shows KCCC’s current ratio has fallen in the last 2 years due to post COVID staff coverage in 2022 and reinvestment in 2023, however, continues to be strong at 1.69.



### The future at KCCC

As a result of the 2023 reconfiguration of rooms from the Building Blocks grant, KCCC has an additional 26 licenced places in 2024, which is an increase of 18.5%. This has created flexibility to maximise occupancy based on changing needs of families in our community for long day care, integrated kindergarten and sessional kinder. Longer term KCCC is evaluating its position with the Best

Start, Best Life reforms in relation to the kindergarten transitions to prep-Prep by 2032, with all programs to increase from 15 to 30 hours of kindergarten in the year before school.

KCCC will continue to focus on investment in resources and equipment needed to support our programs and enhance the education and care provided to our children.

