



New Zealand Kindergartens Te Putahi Kura Puhou O Aotearoa

Annual Report 2009-2010

Annual Report 2009 – 2010

VISION

Kindergartens – first choice early childhood education service.

PURPOSE

Growing and strengthening kindergarten.

NZK BELIEVES -

- Every child has the right to participate in high quality early childhood education.
- Kindergartens are seen as centres of excellence and innovation for early childhood education.
- Our goals are best achieved through collaborative relationships at all levels.
- Kindergarten is responsive to the cultural and language aspirations of families.

Our goals

GROWTH AND DIVERSITY

- Provide the environment to enable associations to increase the participation of children in early childhood education.

ORGANISATIONAL ROBUSTNESS

- Model effective and efficient business and governance practices.

QUALITY

- Continuous quality improvement.

COMMUNITY/COLLABORATIVE RELATIONSHIPS

- Initiate and develop relationships that are beneficial to the purpose and the vision.

The NZK 2009 – 2010 annual plan

OBJECTIVES

- to identify current issues of importance to NZK members, and to develop and implement effective lobbying programmes.
- to provide member associations with relevant, timely and effective national meetings and conference that keep members informed, provide professional development and promote effective networking opportunities.
- to build NZK capacity and capability to provide leadership for kindergarten and improve organisational effectiveness.
- to develop effective commercial opportunities.
- to maintain NZK as an effective organisation to meet the expectations of members.
- to implement year one of the NZK strategic plan.

BOARD MEMBERS Janice Bromell, President
Jean Tidy, elected member, non-employee position
Jenny Varney, early childhood professional position
Kelly Ellis, association manager position
Frank Bourgeois, appointed member
Tracy Donald, appointed member
Tony Hassed, appointed member

LIFE MEMBERS Beverly Brayshaw Ellen Stevenson
Brian Elliott Bernice Lindegren
Elizabeth Beatson Tony Rhodes
Trevor Helm Lynda Boyd
Michael Meadowcroft Wendy Logan
Sheryll Wilson Karen Boyes
Jeremy Neild

MEMBER ASSOCIATIONS Ashburton Free Kindergarten Association
Canterbury Westland Free Kindergarten Association (Kidsfirst Kindergartena)
Central Otago Kindergarten Association
Dunedin Kindergarten Association
Dannevirke Kindergarten Association
Geraldine District Free Kindergarten Association
Gisborne Free Kindergarten Association
Heretaunga Free Kindergarten Association
Lower Hutt Kindergarten Association (Hutt City Kindergartens)
Kaitaia & District Kindergarten Association
Marlborough Kindergarten Association
Napier Free Kindergarten Association
Nelson District Free Kindergarten Association
North Taranaki Kindergarten Association
Northern Auckland Kindergarten Association
Northland Kindergarten Association
Oamaru Free Kindergarten Association
Rimutaka Kindergarten Association
Ruahine Kindergarten Association
South Canterbury Free Kindergarten Association
South Otago Free Kindergarten Association
South Taranaki Free Kindergarten Association
Southland Kindergarten Association
Tauranga Regional Free Kindergarten Association
Te Aroha Kindergarten Association
Waimate Free Kindergarten Association
Wanganui Free Kindergarten Association
Wellington Region Kindergarten Association
Westport Kindergarten Association

PRESIDENTS REPORT

Growing and Strengthening Kindergarten

The past 12 months has been a busy, exciting and challenging year for New Zealand Kindergartens and their member associations. The successful completion of the Induction and Mentoring Project for the NZ Teachers Council highlights the depth of knowledge and skill that is present within the NZK network. The willingness for knowledge gained through this project to be shared reflects the collaborative nature of the NZK network and the mutual desire to grow and strengthen kindergarten in order to provide our youngest citizens with the best possible start.

The culture of collaboration has touched many facets of the organisation, through employment contract negotiations, joint purchasing projects, professional development, and the provision of support and assistance across a range of management and governance areas. Having this culture of collaboration will help member associations develop strategies to work through changes in government policies in a manner that minimises the impact on children and families.

The next 12 months will provide NZK and its member associations with some challenges. The test for all of us is how we can turn these challenges into opportunities and ensure that we continue to provide an environment that grows and strengthens our services to children to provide them with a 100% great start.

Frank Bourgeois and Tony Hassed joined the body as appointed members in 2009; the process of appointing three independent appointed members allows the Board to strengthen its collective skill base. Thanks to Jean Tidy and Jenny Varney who are both stepping down from the Board after 5 and 4 years respectively, their contribution to the Board and kindergarten as a whole has been immense. Jenny, who is a senior teacher at the Wellington Association, has served as the Board's early childhood professional. Jean has been involved in kindergarten for 10 years, and served on the Board of both the Marlborough and Napier Associations.

Thank you to everyone within the kindergarten network, families, local committees, volunteers, association boards, teachers, support and managerial staff, Clare and Suz from NZK and the NZK Board for their willingness to give up their time, share ideas and support each other to ensure that Kindergarten continues to provide a rich environment for New Zealand children.

Janice Bromell
President

CHIEF EXECUTIVE'S REPORT

The 2009 – 2010 was a busy and productive year for New Zealand Kindergartens (NZK).

Highlights included the successful completion of the New Zealand Teachers Council and NZK induction and mentoring pilot, collaboration with other ECE organisations to prepare and launch the report *Strengthening Community-based ECE Services in Aotearoa New Zealand*, the development and implementation of the communications strategy, the launch of the NZK website, the employment of a part-time administrator in the national office, and the roll-out of national service programmes such as with Fuji Xerox and the Lap Top Company.

There have also been a number of issues confronting NZK not least of which was the impact of the funding error advised in the May 2009 government budget, and the change in the ECE qualified and registered teacher targets announced in October.

The Central Otago Kindergarten Association hosted the 2009 conference in picturesque Queenstown and we convened three national member meetings, and supported the managers and the senior teacher hui. In March 2010, members unanimously agreed to launch a campaign to promote kindergarten and quality ECE and to increase our visibility.

NZK continued to support members individually on a range of issues including general manager appointments, constitutional changes, and property issues. We kept in regular communication with members, developed and shared resources, and represented members' individual and collective interests to government officials and agencies.

Key issues

In April 2009, NZK president Jeremy Neild, Janice Bromell and Clare Wells met with the Minister of Education Hon Anne Tolley to present NZK's priorities and discuss the issues identified by members. We provided a briefing paper to the minister in advance of the meeting which set out the issues: funding, ECE regulations, teacher supply and teacher qualifications, and special education which remained key issues for NZK in 2009 – 2010.

The Ministry of Education's funding error, advised as part of the government budget announcement in May 2009, and in the middle of the bargaining process, required NZK's focused attention. The error related to a doubling of the percentage increase to the salary component of the funding rates in 2008 resulting in a minimal increase on the 2009 rates. It meant associations had to meet the costs of the four percent salary increase for teachers effective 1 July 2009 which was negotiated by the ministry with NZEI Te Riu Roa. We met with the Minister of Education and Secretary for Education Karen Sewell on the day of the budget to hear directly from officials about the mistake and to discuss the impact on services. We represented members' interests to the government and to officials and we provided advice and support to members to ensure the funding pressures they faced as a result of the error were managed and the impact on the kindergarten service minimised.

The ECE regulations provided another priority focus for NZK in the past year as members grappled with the changes to the regulations. Variation in interpretation of the regulations across ministry regions, and the lack of policy alignment across government agencies, presented enormous frustrations for associations. We represented members' views to the ministry as part of our response to the review of regulations in early 2009.

Teacher supply remained high on the NZK agenda for the year, as associations sought to maintain 100% qualified and registered teacher workforce. The target set by government in 2002 for all teacher-led services to employ qualified and registered teachers within 10 years, and the funding incentives in place to reach and maintain that target, placed considerable pressure on teacher supply. The cap on student numbers in tertiary institutions compounded that pressure, limiting student intake to teacher education programmes. The ministry's policy to drop a funding rate for four months if there were fewer than 100% qualified and registered teachers in the centre beyond 40 hours during a four month period (staff hour count) was exacerbated by the limited number of qualified relieving teachers available in a number of associations. The pressure on teacher supply prompted the government to reduce the targets and in October 2009 it was announced that by 2012 only 80% of staff had to be qualified and registered, and the 100% target was removed altogether. NZK reacted publicly to the policy change and proposed options to the Minister of Education to address teacher supply while maintaining the 100% target.

The review of special education announced in early 2010, focused solely on the schools sector. The NZK submission presented our view that meeting the expectations of children with high special education needs must start before the child enters school and early intervention is critical for these children and their families to support them to reach their potential within the education system. We proposed government has a clear role in supporting special education at all levels across the sectors in planning and monitoring the national provision of quality services, co-ordinating and funding service delivery, and providing consistency across policy areas such as an enhanced focus on special education as part of teacher education programmes and professional development priorities.

These issues will remain priority areas for NZK in the future and a focus for our engagement with government and with government officials.

National meetings and conference

The 2009 NZK conference and annual general meeting was held in Queenstown on 7 – 9 August 2009. One hundred and fifty people attended conference from twenty five of the NZK member associations. Participants found the conference useful and timely, valued the opportunity to network within their groups, and rated the organisation, social activities, and venue highly. The key messages members took away from the conference included the importance of NZK having a national position on pertinent issues and the need to promote quality kindergarten and the kindergarten movement.

Three national meetings were held throughout the year: the autumn meetings on 1 – 2 May 2009 and 26 – 27 March 2010, and the spring meeting on 30 – 31 October 2009. A total of 265 people attended the meetings, a majority of the same people attending each one. On average 88 people participated in the meetings, with presidents and board members the largest group represented. Evaluations of each meeting showed high levels of satisfaction with the programmes and participants generally valued the range of topics covered, the calibre of speakers and presenters, and the network sessions and, at the 2010 autumn meeting, the discussion on strategic issues.

The managers hui on 1 – 2 April 2009 and senior teachers hui on 10 – 12 March 2010 were both well attended. The managers hui *Leadership in the 21 Century* was held at the Copthorne Hotel, Wellington and attended by managers from 25 associations, including those not affiliated to NZK. Invited speakers Secretary for Education Karen Sewell and Dr Kate Thornton focused on educational leadership, and the programme included discussion on association leadership programmes and leadership development in schools, as well as topical issues such as bargaining, and the implementation of the ECE regulations.

The senior teachers hui continued the leadership theme. Held in New Plymouth, the hui *Curriculum leadership – a new focus* welcomed curriculum experts Dr Margaret Carr and Alison Brierley from Waikato University who presented the key note address followed by a comprehensive workshop. Karen Sewell focused her keynote address on the strategic issues for education and government's priorities for ECE, I presented *Challenges and provocations for kindergarten leadership* and facilitated discussion with the group, and Bruce Hammonds, director Leading and Learning, presented a session on 'Preserving the child's sense of wonder'.

Evaluations showed the hui were successful. Funding grants for both hui were received from the Ministry of Education and Royal Society Quality Teaching Partnership Fund.

At the 2009 spring meeting, members discussed changing NZK's approach to national meetings and to the annual conference. Members agreed to host conference every second year, reduce the two annual national meetings to one each year, host a national governance hui in the alternate year from the conference and facilitate regional governance hui throughout the year, hosted jointly by NZK and local associations. The managers and senior teacher hui will continue on an annual basis. The aim of this approach is to better utilise members time and to provide a greater focus on support for the governance role within associations. The new approach came into effect in 2010.

Organisational effectiveness

Thank you to Kidsfirst chief executive Sherryl Wilson and Hutt City general manager Beverley Richards who represented NZK members on the Ministry of Education bargaining team for the renewal of the Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement (KTCA). Thank you also to Nelson District Free Kindergarten Association general manager Wendy Logan who provided support to the bargaining team as did the NZK national office. The agreement was settled in May and ratified by teachers in June 2009. The term of the agreement is 1 March 2009 to 28 February 2011.

The NZK induction and mentoring pilot was a first for NZK. Five member associations clustered in three regions took part in the pilot to design and trial an induction programme for beginning teachers and a mentoring programme for teachers working with those new graduates. The pilot also trialed new teacher registration criteria and mentoring guidelines which were developed by the Teachers Council. Over 100 teachers participated in the pilot, including teachers from education and care centres and the four Te Tari Puna Ora o Aotearoa/NZ Childcare Association mentors.

Special thanks must go to the senior teachers involved in the pilot for their professionalism, leadership and active engagement in the process. Pam Wilson and Michele Clark, Southland Kindergarten Association, Lee Blackie, Dunedin Kindergarten Association, Helen Durbridge, Nelson District Free Kindergarten Association, Jenny Varney and Anne Masterton, Wellington Region Free Kindergarten Association and Sally Roberts and Eliz Leong, Ruahine Kindergarten Association led the pilot in their regions. Dr Val Podmore led the research component of the pilot, attending two of the four regional workshops held by each cluster, and meeting with focus groups of participants. The pilot was co-ordinated by NZK national office and overseen by a national advisory group.

The pilot was successfully completed in early 2010 and has been widely promoted through presentations and in published articles. NZK has been commended for the work and acknowledged for our professional leadership and the contribution the pilot will make to establishing effective induction and mentoring practices in ECE. Supporting newly qualified teachers into the profession and to reach full registration ultimately improves the teaching and learning outcomes for children. The final report will be launched by the Teachers Council and made publicly available by the end of 2010.

2009 saw the implementation of the NZK communications strategy to support NZK's strategic goal and vision – to be the first choice early childhood education service in New Zealand, and to grow and strengthen kindergartens to be a leading provider of quality early childhood education. The strategy aims to enhance and build on the public profile and reputation of kindergarten, informing the public, parents, families and other audiences about the benefits of kindergarten, helping NZK engage and collaborate with key communities, and positioning NZK as a leading, respected professional organisation with experts who can give meaningful commentary on and constructive input into early childhood education issues and policy.

Complementing the communications strategy was the launch of the NZK website in late 2009. The aim of the site is not only to promote quality ECE and kindergarten and to provide information about kindergarten publicly, but to also provide information and resources to member associations. The site is building the resource base and in particular, governance resources for boards including the NZK governance manual. Regular national office updates, reports and presentations from NZK meetings, and communications such as media releases and an NZK events calendar are also available.

The size of the NZK membership provides considerable purchasing strength. NZK has worked with Wilkinsons Insurance Brokers, Fuji Xerox, and the Lap Top Company as preferred providers, to develop products and programmes of benefit to member associations. Our partnerships with IBM through the Kidsmart programme, and with Fairfax – books in kindergartens programme – continue. We have been engaged with IBM for over six years and we are discussing how we can enhance and build the relationship in future.

Collaboration

NZK continues to build effective relationships with ECE organisations and government officials and agencies to promote our vision for kindergarten and to address issues of importance to NZK members.

We are a member of the Early Education Federation, a coalition of 17 ECE organisations, and of the Ministry of Education Early Childhood Advisory Committee, which meets four times a year and provides advice to the Secretary of Education. Reports of meetings are advised to members and provided on the NZK website.

NZK took a lead role in the design and presentation of the ECE Futures Forum in February 2010 and we continue to work with other ECE organisations to promote the interests of quality ECE. We have regular scheduled meetings with the Ministry of Education, Education Review Office and NZEI Te Riu Roa, and meet with other ECE organisations including Te Tari Puna Ora o Aotearoa/NZ Childcare Association, the Early Childhood Council and Early Childhood Leadership.

In 2009, NZK in collaboration with other ECE organisations developed a shared vision for community-based ECE and set goals to realise the vision and to identify strategies to inform policy development and strengthen participation in ECE. The project resulted in the publication of the report *Strengthening community-based early childhood education in Aotearoa New Zealand*. The report was written by leading ECE academics Professor Helen May, Otago University, and Dr Linda Mitchell, Waikato University and set out three goals:

- promotion of community based ECE services, including whanau/parent-led services, through the development of a national plan for ECE provision throughout Aotearoa New Zealand;
- provision of appropriate services to ensure every child can participate in free, high quality ECE;
- robust accountability to government, parents, whanau and communities linked to indicators that demonstrate high quality ECE.

NZK worked with Waikato University to set up a research project to look at the current provision of kindergarten services and the kindergarten profile. The project by Claire Davison will provide base-line data for associations and be used to monitor change over time.

NZK represents a strong and diverse network of quality services supported by the efforts, expertise and passion for kindergarten of governance boards, managers, professional teams and association staff, and by around 30,000 children and families. NZK is in a good position to move forward. We have the credibility within the sector to be viewed and supported as a leader, and the potential to be influential in growing and strengthening kindergarten as the first choice ECE service.

Thank you to Suz Foster, NZK national office administrator and to Leonie Bond, financial advisor for their contribution to the work of NZK. Thank you also to NZK members for the support provided to the national office and to the NZK board for their vision, guidance and support.

Clare Wells
Chief executive

New Zealand Kindergartens Incorporated Te Putahi Kura Puhou o Aotearoa

Financial Report

Year ended 31 MARCH 2010

**NEW ZEALAND KINDERGARTENS INC
STATEMENT OF FINANCIAL RESPONSIBILITY
FOR THE YEAR ENDED 31 MARCH 2010**

STATEMENT OF FINANCIAL RESPONSIBILITY

The Board accepts responsibility for the preparation of these annual financial statements and the judgements used within.

The Board accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurances as to the integrity and reliability of financial reporting.

In our opinion the annual financial statements for the financial year fairly reflect the financial position and operations of the Society.

**Clare Wells
Chief Executive**

**Tony Hassed
Board Member**

**NEW ZEALAND KINDERGARTENS INC
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 MARCH 2010**

REPORTING ENTITY

New Zealand Kindergartens Inc is a society registered under the Incorporated Societies Act 1908, whose membership is comprised of autonomous Kindergarten Associations from throughout the country. The financial statements of the New Zealand Kindergartens Inc are a general purpose report of the National Boards activities only and have been prepared in accordance with New Zealand generally accepted accounting practice.

GENERAL ACCOUNTING POLICIES

The following general accounting policies have been adopted in the preparation of the financial statements.

- i) The measurement basis adopted is that of historical cost and reliance is placed on the fact that the Society is a going concern.
- ii) The matching of revenue earned and expenses incurred using accrual accounting concepts.

PARTICULAR ACCOUNTING POLICIES

Fixed Assets: Fixed Assets owned by the New Zealand Kindergartens Inc are recorded at cost less accumulated depreciation.

Depreciation: Depreciation is provided on a straight line basis at rates that will write off the cost of the assets over their estimated useful lives.

The useful lives of assets have been estimated as follows:-

Furniture and Equipment	3-10 years
Office Equipment	3-10 years
Computer Equipment and Software	3-10 years

Cash and Deposits: Cash is regarded as those sums held on current account or in notes and coins for use in the day to day running of the Society.

Accounts Receivable: Accounts receivable are recorded at net realisable value.

Liabilities: Liabilities are recognised when the goods and services to which they relate are received. Liabilities are carried at the amount of cash which is required to settle those liabilities.

Taxation: The Society is registered with the Charities Commission and accordingly is exempt from income tax.

Website Costs: Website development costs are written off in the year incurred.

Differential Reporting: The Society qualifies for differential reporting as it is not publicly accountable and is not large defined in the framework for differential reporting. The Society has taken advantage of all available differential reporting exemptions.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the prior year.

**NEW ZEALAND KINDERGARTENS INC
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2010**

	2010	2009
PUBLIC EQUITY	264,376	184,083
PRESENTED BY:		
CURRENT ASSETS		
Cash and Deposits ¹	419,011	267,377
Accounts Receivable	45,133	4,106
Prepayments	420	0
GST Receivable	790	0
	465,354	271,483
CURRENT LIABILITIES		
Accounts Payable	126,169	43,870
GST Payable	0	1,799
Induction & Mentoring Program	77,157	40,856
Income in Advance	0	1,138
Annual Leave Provision	603	603
	203,929	88,266
WORKING CAPITAL	261,425	183,217
NON-CURRENT ASSETS		
Fixed Assets ²	2,951	866
	2,951	866
NET ASSETS	264,376	184,083

Clare Wells
Chief Executive

Tony Hassed
Board Member

The notes and statements of accounting policies form part of and are to be read in conjunction with this financial statement. These financial statements have not been audited but have been subject to an accountant's review engagement.

**NEW ZEALAND KINDERGARTENS INC
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 2010**

	2010 Actual	2009 Actual
INCOME		
MOE Grants	7,000	-
Levies	334,760	318,500
Induction & Mentoring Program	180,849	65,494
Interest	6,488	10,550
Sundry Income	18,005	17,336
	547,102	411,880
LESS EXPENDITURE		
Board Expenses	36,290	42,045
Personnel Expenses	151,964	123,605
President's Honorarium	4,000	4,440
Office Expenses	17,633	23,416
Rent	28,167	26,000
Interest Expense	-	21
Meeting Expenses	31,621	18,265
Induction & Mentoring Program	190,149	56,194
Organisational Development	4,489	10,259
Auditor's Remuneration	1,607	2,759
Depreciation ³	889	743
	466,809	307,747
NET SURPLUS (DEFICIT) FOR YEAR	80,293	104,133

**NEW ZEALAND KINDERGARTENS INC
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2010**

	2010	2009
Public Equity Brought Forward	184,083	79,950
Net Surplus (Deficit) for the year	80,293	104,133
	264,376	184,083

The notes and statements of accounting policies form part of and are to be read in conjunction with this financial statement. These financial statements have not been audited but have been subject to an accountants review engagement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

	2010	2009
1 CASH AND DEPOSITS		
ASB 12-3254-0020574-00	78,395	10,664
ASB 12-3254-0020574-50	90,517	191,613
ASB Term Deposit	250,000	65,000
Petty Cash	100	100
	419,011	267,377

	31 MARCH 2010			31 MARCH 2009		
	Cost/ Value	Accum. Depn	Book Value	Cost/ Value	Accum. Depn	Book Value
Equipment, Computers	39,382	37,373	2,009	36,870	36,870	0
Furniture	5,652	4,710	942	5,188	4,322	866
	45,034	42,083	2,951	42,058	41,192	866

	2010	2009
3 DEPRECIATION		
Equipment, Computers	502	375
Furniture	387	368
	889	743

4 STATEMENT OF COMMITMENTS

There are no known commitments at balance date. (2009 Nil)

5 STATEMENT OF CONTINGENT LIABILITIES

There are no known contingent liabilities at balance date. (2009 Nil)

ACCOUNTANTS REPORT TO NEW ZEALAND KINDERGARTENS INC

We have reviewed the attached financial statements of the society for the year ended 31 March 2010 in accordance with the Review Engagement Standards issued by the New Zealand Institute of Chartered Accountants.

A review is limited primarily to inquiries of society personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit.

We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements on pages 2 to 6, do not give a true and fair view

**Markhams Miller Dean Audit
Wellington
22 June 2010**

NEW ZEALAND



Kindergartens Inc
Te Putahi Kura Puhou
O Aotearoa