

# annual review 2021





is a not-for-profit organisation that has been offering quality  
child care and children’s services since 1905.

**Auditors**

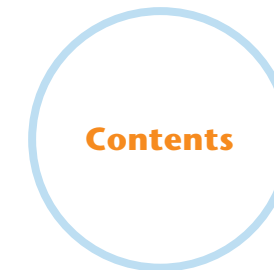
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# SDN's philosophy

We believe that every person and every living thing has inherent worth, and is owed respect and care.

We believe that we live in an inter-dependent world, where we all belong and are enriched by each other's contributions.

We have always believed, since our beginnings in 1905, that the world can be a better and more equitable place, and that we can help to make it so.

We believe that potentials and possibilities are realised when everyone offers and experiences care, connection and challenge.





SDN's **vision** is for an equitable world  
where all children thrive.

## Our **purpose**

Our purpose is to promote and enhance the wellbeing, learning  
and development of children, in inclusive environments.

## Our **values**

In carrying out our purpose we commit ourselves to being:

Trustworthy  
+  
reliable

Inclusive  
+  
respectful

Creative  
+  
innovative



# who we are

SDN is a not-for-profit organisation that has been delivering quality services since 1905.

We are proud of our long history of working with children and their families and supporting the development of practitioners and children's services. With more than 700 staff across 33 sites in Sydney, regional NSW and the ACT, we are one of Australia's most respected children's services organisations.



# we provide

## Early childhood education and child care

for children from birth to six years, across 27 centres

## Therapies for children

from birth to transition to high school, including services provided under the National Disability Insurance Scheme

## Family support services

that help children thrive by promoting strong, functional and well-supported families.



# 2021

## in review

The ongoing effects of the COVID-19 pandemic meant a number of activities and events during the year were curtailed, however significant work was still achieved.



# News and highlights

## **SDN Linthorpe St turns 90**

Our centre at SDN Linthorpe Street in Newtown turned 90 on 19 November 2020. Unfortunately we were still under lockdown restrictions due to COVID-19 so couldn't hold a celebration with members and families, however the centre was able to celebrate with the children, including a large birthday cake.

The site has had a varied history. Beginning life as a doctor's surgery before SDN purchased it in 1930, from 1941 to 1945 the building served as a home to SDN's Nursery School Training College. Afterwards it was used as student accommodation for the college and during this period the children were relocated to other centres. With the end of its use for college accommodation in the early 1970s, the building was free to welcome back babies and toddlers, once more becoming a community hub.

## **Welcome to three UNSW centres**

In January 2021, we welcomed three centres to the SDN community as we began managing three centres on behalf of the University of NSW. Staff at Tigger's Honey Pot, Owl's House and House at Pooh Corner had a week-long induction into SDN, and we opened the doors to children and families on Monday 11 January 2021. The centres each have a strong history within the University, and play an important role in supporting the staff and students to create a campus environment that supports teaching and learning.

## **Successful registration audit for the NDIS**

In February as part of the requirements for our registration with the NDIS, our Children's Therapies services were externally audited against the NDIS Practice Standards. There was an enormous amount of preparation needed in the lead up to this audit, including extensive internal reviews of documents and systems, as well as mock audits. This is an important process and it was very pleasing that we passed the audit with flying colours, with no non-conformities noted.

## **Brighter Futures become Family Preservation**

SDN has been delivering the Brighter Futures family support program on behalf of the NSW government since 2007, and our current contracts were due to end on 30 June 2021. Early in 2021 we were advised by the NSW Government that the program was being replaced from 1 July and we were recommissioned to deliver the new Family Preservation program. The Brighter Futures team had undertaken a considerable amount of work during prior years to develop our practice framework for our family support programs, and this has stood us in good stead as we've transitioned to the new program.

We were also recommissioned by the NSW Government for two Targeted Earlier Intervention Programs (Playlinks and our Aboriginal playgroup), and our contracts for our Start Strong Pathways and Child and Parenting Support program (CAPS) were renewed.







# our strategic plan

**Wellbeing, learning and development in inclusive environments.**

We're now half way through our five year strategic plan, and while the COVID-19 pandemic has thrown some unexpected challenges at us, it has also given us the opportunity to accelerate and trial some new ideas and approaches.

Our strategic plan rests on our ability to deliver our commitments to children, families and our staff through consistent implementation of the four elements of the SDN Way. In mid-2021, we began to roll out external brand messages to promote the SDN Way, using the language of the SDN village. This is more than just a marketing slogan. It is inspired by the saying that it takes a village to raise a child, and rests on our Pathways approach for working with children and families and our core practice frameworks.

The SDN Way requires us to:

- ▶ listen and respond to children so they can confidently shape their world
- ▶ partner with families to help them feel confident, capable and connected
- ▶ partner with staff to grow, develop and amplify their purpose, so they can enjoy their everyday
- ▶ create safe and vibrant spaces that spark exploration, creativity and play.





### Consistent quality

Ensuring consistent quality across all of our services is a key goal of our strategic plan. While we work to our own practice frameworks, there are external quality standards in a number of areas we work in, which are externally assessed and audited.

In February our Children's Therapies were externally audited as part of the requirements for our registration with the NDIS, and we successfully passed with no areas of non-conformance. There was an enormous amount of work needed in the lead up to this audit, including extensive internal reviews of documents and systems and mock audits.

Assessments and ratings of our centres were suspended during COVID, and returned briefly from April 2021. During that time five centres were assessed and rated, with four rated as Exceeding the National Quality Standard (NQS) and one rated as Meeting. This means that of our 27 centres, 19 are now rated as Exceeding the (NQS), eight are rated as Meeting the Standard, and one is rated as Working Towards the Standard.

We were thrilled that in October 2021 we were advised that SDN Riverwood was awarded the Excellent rating by ACECQA (the Australian Children's Education and Care Quality Authority). The Excellent rating is the highest rating achievable under the National Quality



**SDN Riverwood**  
was awarded the Excellent rating by ACECQA. The Excellent rating is the highest rating achievable under the National Quality Framework.



Framework, and services can apply for an Excellent rating only if they have been rated as Exceeding in all seven National Quality Standard quality areas. This is a significant achievement and acknowledges the exceptional standard of education and care SDN Riverwood provides. It is now one of only 37 services in the entire country to hold an Excellent Rating.

Listening to children is one of the core commitments in our strategic plan. During the year we began a major project developing a framework for how we collectively listen and respond to children, at a local service level as well as an organisational level. The next stage is to confirm the evidence base to shape our systems and processes.

### Desirable services for families

We continued with the important work on our customer value proposition, reviewing our processes and systems to improve the experience that families have with us, and to remove any unintentional barriers to families accessing our services.

SDN regularly conducts surveys of families using our services. As part of these surveys we track our net promoter scores (NPS) in our centres, which is a measure of whether families say they would actively promote our services to others.

Since we began this work, we have year on year increased our NPS from 53.9 in 2018, where 50 is considered to be the benchmark for a good result, to a very pleasing score this year of 73.6, which given the difficulties of the previous 18 months with the COVID pandemic was an excellent result. This year, 97% of families strongly agreed or agreed that SDN provides a high quality service, and increase from 87% in 2018.

Our customer experience approach to working with families informs how we work with families on a day to day basis, as well as our whole approach to thinking about what services families want, and how to improve the systems and processes that deliver those services. The improvements in our family survey results show that the way SDN provides

its services and the quality of our services are valued by and therefore desirable for families.

### Our staff — our vision for an equitable world starts with inclusive attitudes

Our staff continue to be our most important asset, and the closure of international borders has exacerbated workforce shortages in all of the sectors we work in. We've focused on the recruitment experience for potential staff, undertaking research and implementing some different ways of approaching our recruitment.

There has also been a lot of work done on retaining our staff, with work underway on our induction and onboarding framework, succession planning, learning and development and mentoring of staff, and rewarding and recognising our staff.

We also successfully renegotiated our Enterprise Agreement with staff, which sets out staff terms and conditions for the next four years. This was a very difficult undertaking in the middle of COVID, but given that our staff costs are by far the highest proportion of our costs, this gives us a stable financial basis for our planning for the next few years.

You can read more about our staff on page 25.

### Sustainability

As a not-for-profit, we're conscious that we need to use our resources carefully and for the best overall outcomes for children. We started a long term project to develop a property masterplan for the next 20 years, with detailed assessments of each of our properties, owned and leased, and are now finalising plans for next steps, including minor refurbishments and some major works.

Across the portfolio of services that we offer, we balance our services so some are designed to reach many children while some deliver intense services to a few children. This work will allow us to maximise the benefits of SDN's property portfolio for all of our services, helping to guide our investment decisions.



This portfolio approach also applies to the services we offer within particular service streams, as well as the buildings themselves. For example, while we aim for consistent quality across all of our centres, we know that each centre serves very different communities, and we need to be responsive to the needs of those communities. These factors impact how we invest in our services, and will determine our decisions about future investment in new services.

### Impactful

With the COVID-19 pandemic affecting attendances at our centres and pushing us to move to online appointments for our Children's Therapies and family preservation work, much of our external advocacy focus has been on providing input to the government responses to COVID in our sectors. We have been active in sector lobbying and advocacy, including

as members of the Early Learning and Care Council of Australia (ELACCA), and Early Childhood Australia (ECA). As part of this work it's been important for us to collect and share data and case studies to demonstrate the impact on children and families of the changes to our services due to COVID, and it's been pleasing to see a number of the changes we have been advocating for introduced at both state and federal level.

### The coming year

We expect the impacts of COVID-19 to continue to be felt over the coming year, as at the time of writing children under 12 years cannot be vaccinated against the virus. We have several major projects on the agenda, in particular IT and property, and will continue to do more work on the priority projects outlined in our 2019–23 strategic plan.



# our outcome measures



SDN works with children and families across three main streams: our early childhood education and child care services, children's therapies, and family support programs, including Brighter Futures (now called Family Preservation), Playlinks and our Child and Parenting Support program.

Our work this year continued to be impacted by the COVID-19 pandemic. This limited the face to face contact

we offer children and families through our children's therapies and family support programs, and even in our centres. While some services had to be suspended, we were able to maintain contact with many children and families online using videoconferencing.

We increased the number of children in our centres thanks to the addition of three centres at the University of NSW, which we began managing from January 2021.

# How much did we do?



### For children

Across all of 2020–21, we worked with a total of **4,579** children and families (up from 4,396 in 2019–20), by:

- ▶ providing **3,049** children with high quality early childhood education and care through our 27 centres (an increase from 2,892 in 2019–20)
- ▶ supporting an additional **123** children facing challenges to be enrolled in mainstream settings (up from 115 in 2019–20)
- ▶ providing specialised early intervention for **527** children with disabilities (steady when compared with 534 children in 2019–20)
- ▶ supporting **27** children in supported playgroups and activities (an increase from 21 children in 2019–20).



### For families

In 2020–21, **588** families facing challenges were strengthened through our playgroups, family programs and our Brighter Futures programs (slightly up from 577 in 2019–20).



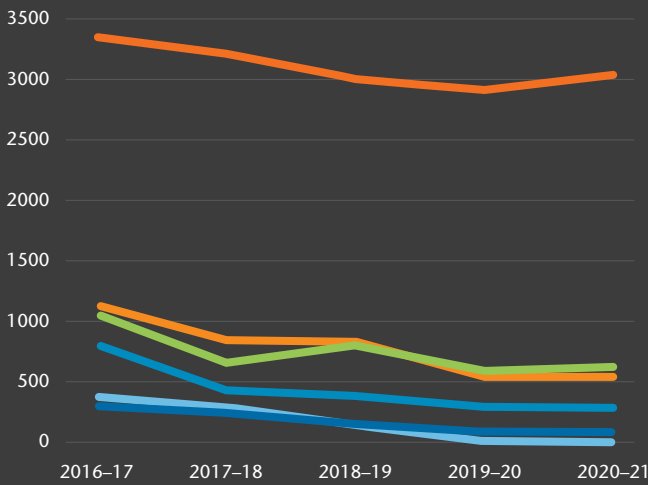
### For other children’s services providers

SDN is active in supporting the children’s services sector to be more inclusive of children. In 2020–21 we supported **265** other services (compared with 268 in 2019–20), through the following programs:

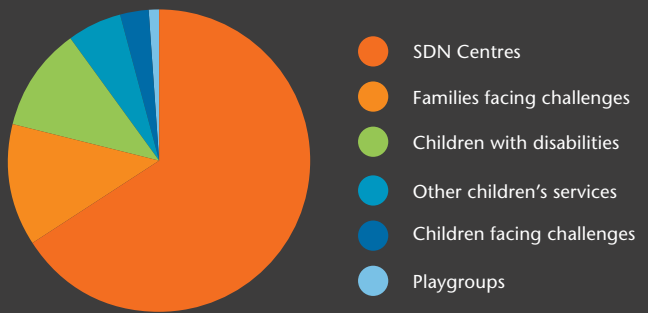
- ▶ Brighter Futures: **129** services
- ▶ Child and Parenting Program: **23** services
- ▶ Eastern and Sydney Child and Family Interagency: **80** services
- ▶ our new Stay Strong Pathways program: **33** services.

The pattern of support offered to children and families continues to change as a result of changes in funding streams and their objectives.

Sectors we work in: Five year overview



2020–21 clients by sector



Over the past five years the number of children we supported has dropped slightly, with a significant drop in 2016–17 in the number of children facing challenges and other services as a result of our unsuccessful tender for the Australian Government’s Inclusion Support Agency contract. The number of children with disabilities supported has dropped in recent years, however is now holding steady, following the shift from NSW government funding to the NDIS.





# our staff



**Our people are the key enablers of our strategy and our biggest annual investment.**

The quality of our workforce has the most influence on our ability to keep our commitments to children and families. Our strategy specifies that we attract and retain a well-educated, appropriately rewarded quality workforce who:

- ▶ have foundational knowledge of child wellbeing, learning and development, family wellbeing and functioning, inclusion and relevant service system
- ▶ access to specialist skills to address barriers to access, participation and inclusion
- ▶ are aligned, engaged and accountable
- ▶ have opportunities for career progression.

Our 2020–21 aim was to continue to implement our employee value proposition, however we had a number

of challenges during the year including as a result of COVID-19. These included talent shortages across all of the sectors we work in, exacerbated by border closures, additional workloads and stress due to the recent outbreaks of the Delta variant of COVID-19; and challenging Enterprise Agreement negotiations that were started at the end of 2019 which had to be put on hold and then negotiated remotely.

Staff retention continues to be above SDN's target of 40%, with the average annual staff retention for 2020–21 being 48%. Annualised staff turnover was 19.75% for the year to 30 June 2021, just below SDN's target of 20%. It is an increase from 2019–20, however, turnover was low last financial year due to the uncertainty around COVID-19 and staff wanting to remain in secure employment. Prior to 2019–20, annualised turnover was at 25%.



# Our **staff** as at 30 June 2021

202	Educators (Certificate III)
153	Senior Educators (Diploma)
104	Early Childhood Teachers and Centre Directors
52	Social Workers, Practitioners, Team Leaders and Area Managers
38	Room Leaders (Diploma and Certificate III qualified)
30	Centre Administrators
28	Cooks and Assistant Cooks
20	Allied Health Professionals
11	HR, Payroll and WHS staff
11	Finance and Property staff
10	Program Administrators and Project Officers
7	Communications and Marketing specialists
7	Administration support
7	SDN Enquiry Team members
6	Trainees
6	Operations Managers
4	Specialist Business Professionals
4	Professional Practice staff
4	Members of the Executive
2	Directors of Shared Services functions
1	CEO





# Snapshot of our **staff**

Our workforce is diverse, qualified and experienced and complies with the Workplace Gender Equity Act. As at 30 June 2021 we employed **707** staff, broken down as below:



Centres

**560** 79%

Family Support

**58** 8%

Children's therapies

**26** 4%

Shared Services (includes casuals)

**63** 9%



Permanent full-time

**341**

Permanent part-time

**170**

Maximum term contract full-time

**52**

Maximum term contract part-time

**42**

Casual

**102**



Female

**665** 94%

Male

**42** 6%

## Staff engagement

SDN values staff's opinions. Our 2020 staff survey conducted in November/December had a response rate of 73%. Staff scored 76% in engagement which represents the level of job satisfaction and staff commitment at SDN. Staff scored 75% in progress which reflects staff perceptions about organisational performance.

	2019	2020	Decrease
Engagement	84%	76%	-8%
Progress	78%	75%	-3%

SDN scored highest in the following 5 questions:

Topic	Question	%
Values	I believe in the values of SDN	92%
Values	I believe in the overall purpose of SDN	90%
Engagement	I like the kind of work I do	90%
Service Knowledge	I feel confident in helping families find what they need from SDN	88%
COVID-19	My team has been able to work together effectively during the disruption caused by COVID-19	87%

The results indicate that staff remain very engaged and believe in SDN's values, vision and purpose. Staff also felt that they were able to 'work together effectively' during COVID-19 which demonstrates the commitment shown by staff last year.

The COVID-19 pandemic has made staff engagement more complex. Responding to a crisis with a process that is transparent, consistent and respectful is important because it helped to mitigate stress and confusion. Although SDN navigated the pandemic quite well in 2020 and successfully balanced operational needs against staff and family expectations, this year the circumstances have again changed and brought a new set of new challenges which SDN is navigating.



## Safety and wellbeing

The safety and wellbeing of children and staff have always been a priority, and nevermore so than over the past 18 months.

We keep up to date with all current government advice and implement precautions in the workplace. We have a COVID-19 response team which meets as frequently as needed, making policy and operational decisions and updating communications to staff and families as often as required. We have supported staff with time off to be vaccinated for COVID-19 or to be tested if needed, and continue to offer reimbursements to staff for flu vaccinations.

SDN is committed to improving the health, safety and wellbeing of all staff. SDN partnered with Icare to perform a WHS diagnostic review on SDN's safety culture which will be ongoing for several months.

Although the number of workers compensation claims has decreased, the number of lost time injuries has increased with most claims returning to work on suitable duties, thus ensuring a safe and durable return to work.

Year	FY 2019-20	FY 2020-21
Incidents	123	125
Workers Compensation Claims	31	23
Lost time injuries	9	13
Total Claims Cost (\$)	85,494.91	91,132.31

Learning and development

Learning and education is fundamental to SDN’s vision, purpose and values, and we encourage and support our staff to do further studies by giving them flexibility of working hours and study leave.

The onset of COVID-19 and lockdown measures meant a number of SDN training programs were postponed or cancelled, however many organisations offered online professional development at reduced rates or for free.

We delivered a total of 8,941.97 hours of training and learning and development, down from 13,576.93 hours in 2019-20. Although the use of online learning increased, most face to face sessions were cancelled and were not able to be rescheduled during the year.

SDN Learning and Development Awards

Each year SDN offers the Learning and Development Awards in recognition of staff who continue to develop themselves, both professionally and personally, by undertaking further studies whilst working. These awards recognise an employee’s endeavours in developing their skills, knowledge and experience, and their ability to bring this professional development back into the workplace.

2020 award recipients were:

- Airyan Daly Brighter Futures Central Sydney
- Katherine Elford SDN Paddington
- Katharine Fahy SDN Bluebell
- Sheyeon Hartwig SDN Bluebell
- Theodora Hatzihrisafis Playlinks
- Subrin Hazera SDN Riverwood
- Khanittha Kongmanee SDN North Sydney
- Tsz Kwan Lo, SDN Marrickville
- Afia Nouman, SDN Riverwood
- Laura Paget, SDN Surry Hills
- Beatriz Parra Quintana, SDN North Sydney



Supporting students and trainees

Students are an important recruitment and career progression pathway for SDN.

There has been a steady decline number of educator students enrolling and graduating from Certificate III and Diploma courses, and a small number of students have not been at the expected graduate standard for employment with SDN.

We limited the number of external student placements during 2020 and 2021 to keep everyone safe from COVID-19 and manage families’ expectations, and many planned student placements were postponed or cancelled.

We continued our Certificate III traineeship program with seven trainees in various SDN centres. In the early part of 2021, SDN participated in the ELACCA campaign, ‘Big Roles in Little Lives’, to encourage those affected by job losses in hospitality or travel industries due to COVID-19 to consider a change of career to working in the Early Childhood sector.

96	55	41
2018–19	2019–20	2020–21

SDN’s Enterprise Agreement

SDN’s Enterprise Agreement (EA) expired on 30 June 2020. We had started our EA negotiations in late 2019 but due to COVID-19 we had to pause it in 2020. We restarted the negotiation process in October 2020, which had to be conducted with a mix of face to face meetings and via Zoom. We were successful in getting a strong majority vote in our second round of voting in July, and the agreement was approved by the Fair Work Commission in September.



# staff service

## 40 years and over

Anne Irving SDN North Sydney

## 30 years and over

Fiona Redwood SDN Marrickville

David Farrell SDN Linthorpe Street

## 25 years and over

Carol Muldoon SDN Hamilton Street

Michelle Briscoe SDN Woolloomooloo

Rama Sama SDN Marrickville

Helen Price SDN Crookwell

Ritu Gupta SDN Surry Hills

## 20 years and over

Behrooz Arzani SDN Ngallia

Mini Kaur SDN Riverwood

Kay Turner Shared Services

Louise Casey SDN Glebe

Joka Milicevic SDN Riverwood

Elleni Diaz SDN Linthorpe Street

Glynis Chang Shared Services

Kay Daley SDN North Sydney

Jing Zhang SDN Marrickville

Lorraine Smart SDN Lady McKell

Victoria Marsden SDN Surry Hills

Myint Sein SDN Linthorpe Street

Barua Piyasa SDN Erskineville

Janelle Collins SDN Lady McKell

Micheline Azar SDN Hurstville

Marian Achkar SDN Ultimo

Amanda Brown SDN Pyrmont

Lili Guo SDN Hurstville

Ann Halliday SDN Lady McKell

## 15 years and over

Jane Anable SDN Lady McKell

Niba Samantaray SDN Lois Baker

Carol Soleymanbik SDN North Sydney

Annie Ding SDN Hurstville

Farida Khan SDN Ultimo

Akhtari Khan SDN Ultimo

Karen McIntosh SDN Crookwell

Reeta Koirala SDN Riverwood

Michelle King SDN Bluebell

Jini Outschoorn SDN Bluebell

Connie Blake SDN Paddington

Christina Skiadopoulos SDN Erskineville

Kerry Stephenson SDN Lady McKell

Nasrin Islam SDN Surry Hills

Olena Odnostalchenko  
SDN Lois Baker

Lindy Church SDN Hamilton Street

Georgette Khalil SDN Riverwood

Min Zhang SDN Riverwood

Emerena Marsh SDN Bluebell

Jenny Wang SDN Woolloomooloo

Lyn Li SDN Riverwood

Farzana Ambareen SDN Surry Hills

Maree Friend SDN Lady McKell

Catherine Anderson Services

Ann Wai Wing Cheung SDN North Sydney

Julie Watson SDN Hurstville

Anna Lamarra SDN Lady McKell

Chi Duong SDN Bluebell

Amanda Santos SDN Hurstville

Alex Kaewpijit SDN Redfern

Tracey Brunton SDN Hurstville

## 10 years and over

Rita Haider SDN Linthorpe Street

Margo O'Connor SDN Lady McKell

Cathy Cao, SDN Ultimo

Laura Sultana SDN Ultimo

Insha Shakya SDN Ngallia

Taryn Heffernan SDN Paddington

Trent Browne SDN Hamilton Street

Asma Parveen SDN Ultimo

Ernie Chang Shared Services

Tina Nigro SDN Ultimo

Leanne Dematos SDN Mosman

Ai Liu SDN Ngallia

Katherine Sheehan SDN Paddington

Joanne Evans SDN Lady McKell

Crystal Zheng SDN Ngallia

Sara Sheekey SDN Lady McKell

Lynn Connolly Shared Services

Tania Lever Aboriginal Playgroups

Rey Canoy Shared Services

Olivia Liva SDN Surry Hills

Manisha Raj SDN Beranga

Sofia Pereyra Ananias SDN Glebe

Christina Americano SDN Paddington

Nina Williams SDN Linthorpe Street

Linda Maclean Shared Services

Olga Michalopoulos SDN Surry Hills

Gordana Skopelja SDN Ngallia

Teresa Cabrera SDN Surry Hills

Leanne Citra SDN Lady McKell

Oznur Teke SDN Ngallia

Xiuling Wang SDN Marrickville

Paw Bway Ler SDN Bluebell

Alison Collins SDN Crookwell

Nayana Sagar SDN Erskineville

Ruth Wilson SDN Erskineville

Stephanie Riemer SDN Woolloomooloo

Tahira Anjum SDN Bluebell

Margaret Kelly SDN Marrickville

Deborah Lucero SDN Lois Baker

Afroza Sultana SDN Riverwood

Miguel Rivera SDN Northern Suburbs

Amy Wong SDN Redfern

Debra Morrison Shared Services

Genaro Capistrano Shared Services

Jing Liu SDN Hurstville

Sabreena Karunakalage SDN Milperra

Min Zhang SDN Marrickville

Sally Nicholson SDN Crookwell

Sabina Shakya SDN Marrickville

Lynne Lindh Start Strong Pathways  
Eurobodalla

Yingying Zhang SDN Surry Hills

Sulu Sanele Patelesio SDN Glebe

Hu Li SDN Marrickville

Anu Giri SDN Paddington

Elly Jones SDN Lady McKell

Rosie Walker Professional Practice

Nirmala Kalva SDN Ngallia

Narelle Anderson SDN Crookwell

Kateryna Prykhodko SDN Surry Hills

Ana Montanez SDN Ultimo

Subrin Subrin SDN Riverwood

Christine Zuvel Services

Janice Arcia Alejos SDN Paddington

Jessica Ford SDN Hurstville

# our financial performance

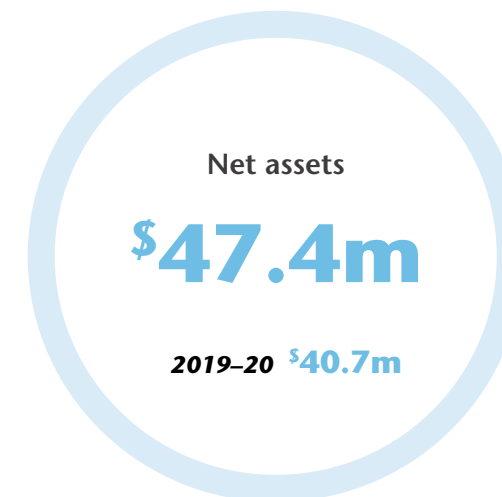


## Overall financial position

The SDN group strengthened its financial position over the past year, generating a solid after-tax surplus of \$1,725,519 (up from \$1,350,852 in 2019–20 — note the 2019–20 result has been restated for the purposes of comparison due to a change in accounting policy). This surplus was achieved thanks to strong cost controls including management of staffing levels, and the addition of three centres managed on behalf of University of NSW.

The consolidated surplus includes SDN Child and Family Services Pty Limited, which reported a surplus of \$355,750, compared with a surplus of \$806,583 (restated) in 2019–20.

Revenue rose during the year as SDN began management of three centres at the University of NSW in January 2021, combined with the strong financial performance of the organisation prior to the COVID-19 impact. Revenue for the year was \$55,819,426, compared with \$49,326,861 in 2019–20.



Free child care was temporarily introduced for the children of essential workers and families who could not work at home and care for their children at the same time, running from April to July 2020. A high proportion of children returned to our centres once restrictions were eased, thanks to the child and family engagement strategies that we had implemented. However COVID slowed growth by reducing anticipated centre revenue significantly, while revenue from our Children's Therapies and government funded programs remained steady.

Expenditure was tightly controlled through the year but especially during the period of free child care which saw a significant reduction of revenue, when we temporarily reduced staff hours and discretionary expenditure to closely match our revenue. The growth in expenditure was at a slower rate than growth in revenue, and was in part due to the addition of three centres managed on behalf of UNSW. Expenditure for the year was \$54,093,907, compared with \$47,976,009 (restated) in 2019–20.

The SDN group strengthened its financial position with approximately \$15.5m in cash equivalents (up from 11.6m) and \$47.4m in net assets (up from \$40.7m). Net



assets increased as a result of improved cash position and increases in the independent valuation of SDN's owned property and land.

## Revenue and expenditure

Fees from our Early Childhood Education and Care Centres continue to be our largest source of revenue. This year our revenue was supplemented by the Federal Government funded JobKeeper and Early Childhood Education and Care Relief programs, which ended 27 September 2020. This support allowed us to keep our doors open to families through the COVID-19 pandemic and to keep all of our staff employed.

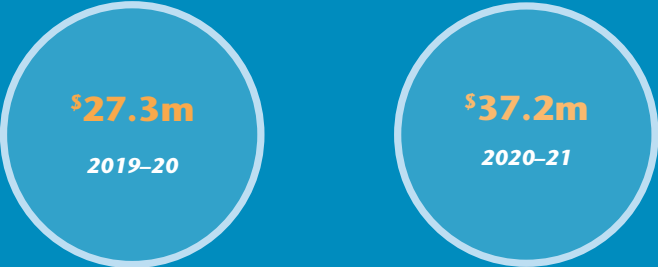
During 2020–21, revenue from our fee-for-service therapies for children with a disability or developmental delay continued to grow. Availability of an experienced workforce in this sector continues to be a major factor inhibiting growth.

Federal and state government funding is for the delivery of specific programs and projects that are the result of successful tenders and grant applications. In 2020–21 this included funding for our delivery of the Brighter Futures program for families.

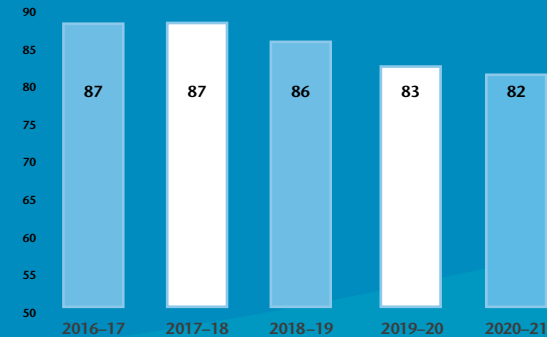


# Children's Education and Care Centres

Revenue has increased over the previous year due to increased utilisation and the addition of three centres from 1 January 2021 managed on behalf of the University of NSW.



Despite the effect of the pandemic we continue to maintain strong utilisation in our centres and increasing revenue at a time of increased competition and oversupply.



Utilisation as % of approved places over 5 years





## Children's Therapies

We have increased our fee-for-service revenue from our children's therapies, including increased revenue through the National Disability Insurance Scheme.

**\$2,125,340**

2019-20

**\$2,335,512**

2020-21



## Family support programs

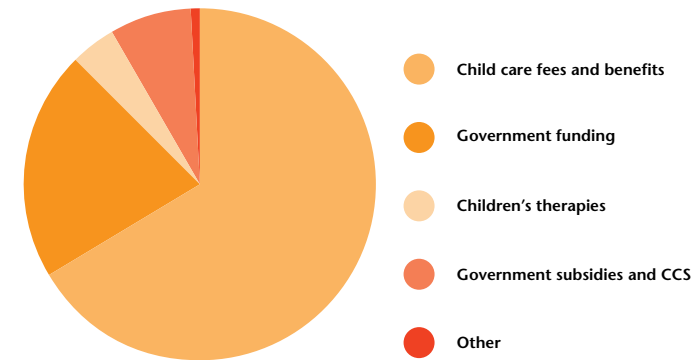
We have sustained our level of support for families and continue to be a trusted adviser. Our largest government-funded contract is for the NSW Brighter Futures program which ended on 30 June 2021, after which SDN has been recommissioned for another three years to provide the replacement program known as Family Preservation. Funding for our other programs was maintained during the year.

**\$8,565,195**

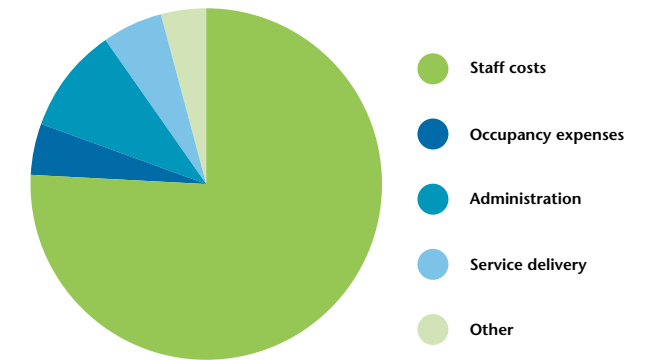
2019-20

**\$8,607,018**

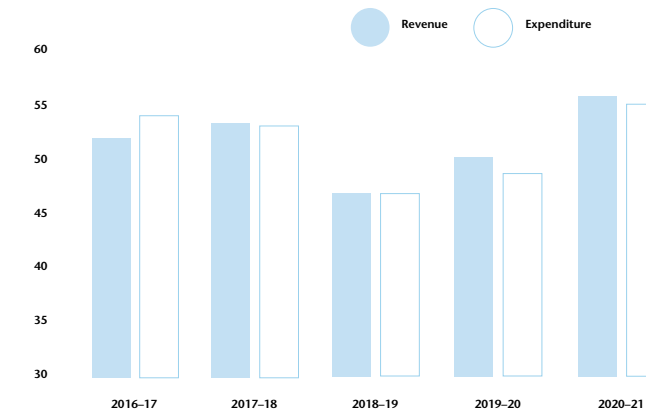
2020-21



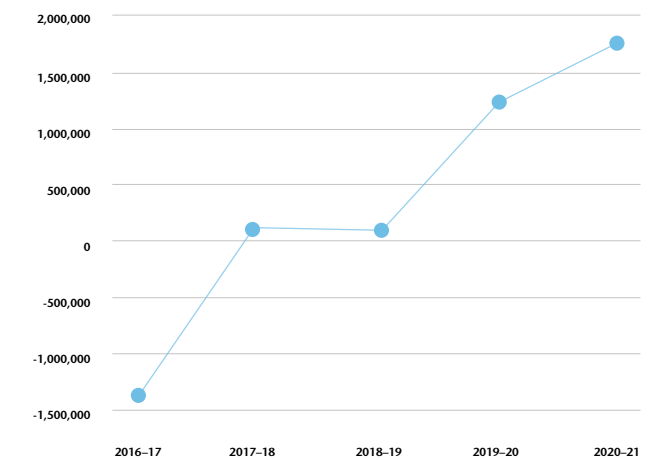
Revenue by source



Expenditure by type



Five year consolidated revenue vs expenditure (\$m)



Consolidated surplus over five years



# our supporters

## **Aboriginal and Torres Strait Islander Scholarships**

Elizabeth Albert  
Mrs Kirsty Albert  
Mrs Ruth Armytage AM  
Mrs Linda Cassidy  
Mrs Angela Donohoe  
Mrs Barbara Fewings  
Dr Joy Goodfellow  
Estate of Alfreda Henry  
Dr Leone Huntsman  
James N Kirby Foundation  
McEwen Family Foundation  
Mrs Coral Miller  
Mrs Sue Perdriau  
Mrs Susan Salter  
Mrs Marion Taylor  
Mr George Turgoose  
Mrs Ginie Udy  
Mrs Beth Vernon  
Mrs Barbara Wise

**Plus contributions from 135  
SDN staff and families**

## **SDN Access and Inclusion Scholarships**

Ms Nancy Butterfield  
Mrs Linda Cassidy  
Mrs Hillary Hannam  
Jenour Foundation  
Mrs Nancy Lefmann

## **Building Fund**

Mrs H.E. Fairfax  
Prudence Finlay  
Mrs Mary Hill  
Mrs Alice Killen  
Mr Ian Philip  
Mr Tom Taylor  
Mrs Marina West

## **Life members**

Ruth Armytage AM  
Effie Bland OAM  
Mary Hill



# be involved



SDN's vision is for an equitable world where all children thrive. We believe in it is the right of all children to access high quality early childhood education, child care, and early intervention, regardless of economic circumstances, developmental status or cultural background.

Our purpose is to promote and enhance the wellbeing, learning and development of children, in inclusive environments. As a not-for-profit organisation, we earn much of our revenue through fee-for-service activities, as well as government funding. However we do need to find additional funds to extend our work to those who are particularly vulnerable and who otherwise might fall through the gaps.

SDN thanks all of our supporters, including staff, members, government, local businesses, donors, families, and other generous supporters.

## Support from our families

Many of our children's education and child care centres are supported by volunteer fundraising committees run by the families who use the centre. The funds raised are used to buy additional equipment for the centre, or for special excursions.

Many of our families also donate to our annual 'Families helping families' fundraising campaign, which funds scholarships for Aboriginal and Torres Strait Islander children and children with disabilities in our centres.

If you would like to support a local centre, please contact us to find out how.

## Support from the community

We receive grants from philanthropic trusts and foundations to support our two early childhood

scholarship programs, for Aboriginal and Torres Strait Islander children, and for children with disabilities or developmental delays.

We also receive donations from corporations, trusts and foundations to buy equipment for specific programs, such as our supported playgroups and our preschool for children with an autism spectrum disorder, SDN Beranga.

## Support from our staff

SDN established its Staff Giving program in July 2012 to support our Aboriginal and Torres Strait Islander Scholarships. In 2015 we extended it to include our Access and Inclusion Scholarships for children with a disability or development delay. It is a voluntary regular payroll giving program, and to date the program has contributed to a total of 27 scholarships.

## Make a donation

We accept donations from philanthropic foundations, businesses and individuals for our work with our priority areas, including:

- ▶ our Aboriginal and Torres Strait Islander Early Childhood Scholarships
- ▶ our Access and Inclusion Scholarships for our early childhood centres
- ▶ our work with children and families facing challenges
- ▶ the SDN Building Fund.

Our subsidiary company, SDN Child and Family Services, is endorsed by the Australian Tax Office as a Deductible Gift Recipient, and donations greater than \$2 are tax deductible.

## SDN Aboriginal and Torres Strait Islander Scholarships

In 2007 SDN established its Aboriginal and Torres Strait Islander Early Childhood Scholarships as it was apparent that many Aboriginal children were not accessing

mainstream child care and preschool due to cultural barriers and costs.

These scholarships are one of the few funded education scholarship programs in Australia offered to Aboriginal children in the early years before school. They cover the cost of a child attending an SDN Children's Education and Care Centre, two days a week for one year. The scholarships aim to give Aboriginal and Torres Strait Islander children access to high-quality early education and lay the foundations for lifelong learning, ensuring more Aboriginal and Torres Strait Islander children can start school on an equal footing.

Since 2007, we have provided scholarships to 121 children, which has only been made possible thanks to donations from philanthropic foundations and individuals. You can see our list of supporters on page XX of this report.

## SDN Access and Inclusion Scholarships

In 2015 SDN established its Access and Inclusion Scholarships to help to reduce financial barriers and increase participation for children with disabilities or developmental delays by covering the cost of a child to attend an SDN Children's Education and Care Centre, up to two days a week for one year. Our inaugural scholarships were awarded thanks to funding from long term supporters the Jenour Foundation. We have now provided scholarships to 31 children.


## SDN Building Fund

In 1992 SDN set up a tax deductible Building Fund to assist with the upkeep and repair of SDN's buildings. This Fund is supported by donation only.

## More information

To find out how you can be involved, call us on (02) 9213 2400, visit our website [www.sdn.org.au](http://www.sdn.org.au), email us on [info@sdn.org.au](mailto:info@sdn.org.au), or follow us on Facebook or Twitter @sdnchildren.





Thanks to everyone who  
contributed to this review  
and gave permission for their  
photographs to be used and  
their stories to be told.



Produced by SDN's Communication Unit. Photography by Anna Zhu.

View our full Annual Report at [www.sdn.org.au/corporate-publications](http://www.sdn.org.au/corporate-publications)

**Joint Vice-Regal Patrons:** The Honourable Margaret Beazley AO QC, Governor of New South Wales and Mr Dennis Wilson