Here is a step-by-step guide to setup parental control restrictions on the Apple iPad with iOS 5 or 6.

These settings should be applied after all necessary apps have been installed through syncing with iTunes.

From the home screen, select Settings > General.

Select Restrictions. If you haven't done this before, select Enable Restrictions.

(NB. To update or add apps in the future you will need to Disable Restrictions.)
Enter a 4-digit passcode. Make sure you remember this passcode, in case you need to change these settings.

Set the allow settings as you see them here. Youtube was removed from iOS 6. However if you see it in the settings, switch it to off.

NOTE: Some parents may choose to allow apps to be installed with age restrictions setup, but be aware that there are still issues with the age-based ratings and browsing the App Store itself.
Scroll down the screen to the Allowed Content area.

Select Ratings For. Set it to AUSTRALIA.

Select Music & Podcasts. Set Explicit to OFF.

Select Movies. Select the rating to None or G.

Select TV Shows. Select the rating to None or G.

Select Books and set the Explicit Content restriction to OFF.

Select Apps. Select age-based filtering for apps you would like to allow. We recommend 12+.

Set In-App Purchases to OFF.

Select Require Password. Set to IMMEDIATELY.
Under PRIVACY select Location Services.

Set all apps to OFF, with the exception of Camera and iMovie. Then select DON'T ALLOW CHANGES. (NB. There may be a need in the future to make changes to these settings)

Return to the Privacy menu and select Facebook. Set to DON'T ALLOW CHANGES. This will prevent apps from linking to a Facebook account.

You can do the same for Twitter.

The other Privacy settings can be left untouched.

Finally at the bottom of the page set both Game Center options to OFF.

When you have finished return to the Home Page.