



ANNUAL REPORT 2013-14





CONTENTS



CHILDREN MAKE LIFE ... T
C
N



4	<i>PRESIDENT'S MESSAGE</i>
6	<i>CEO'S MESSAGE</i>
8	<i>ABOUT US</i>
10	<i>COMMUNITY PROGRAMS</i>
15	<i>ABORIGINAL PROGRAMS</i>
18	<i>REGIONAL SUPPORT</i>
20	<i>COMMUNICATIONS; EVENTS; ANNUAL SURVEY</i>
26	<i>INDEPENDENT AUDIT REPORT & DECLARATION</i>
39	<i>BOARD STATEMENT & FINANCIAL REPORTS</i>
35	<i>NOTES TO AND FORMING PART OF THE ACCOUNTS</i>

PRESIDENT'S MESSAGE



It is pleasing to start my report by giving a big tick of approval to the soul of our Western Australian society. It is a well-known fact that all of us at Playgroup WA strongly advocate for the wellbeing of children, families and communities to be at the heart of our society's actions - from the highest level of government decision making and subsequent funding through to the everyday actions of us all. We also know that this is a view that resonates with, and is strongly held by, our members and those we work closely with.

Amidst a year of high uncertainty for Playgroup WA, it has been pleasing for the Board to witness the resounding approval of the work being undertaken by the team at Playgroup WA by the renewal to date of most of the contracts that were expiring. We are also very excited to announce a new major contract to work with the WA Education Department.

While the team at Playgroup WA continued to work passionately and tirelessly at continuing to provide the important member support and services and to build on the delivery of our strategic goals, much of our CEO's time was spent on the tendering process and, in particular, working closely with Playgroup Australia to ensure the

sustainability of our Federal Community Playgroup funding. The Board supported this endeavour given its importance for funding continuity and for the ongoing growth of the playgroup movement. We also commend our CEO for the way he managed his busy schedule and increased travel requirements whilst continuing to deliver on important goals.

As a result of the high level of change for Playgroup WA, the Board has brought forward the strategic planning process by six months and will deliver a new strategic plan to take effect from 1 January 2015.

We believe that this will allow us to make the most of the opportunities that lay ahead for Playgroup WA, and you, our members. Once again, I cannot thank the Playgroup WA Board and Staff enough for the passion they bring to their work and to our members, whose continued support of playgroups allows the soul of our WA society to shine brightly. Yours playfully,

A handwritten signature in black ink that reads "Leanne Gordon".

Leanne Gordon
Board President, Playgroup WA

CHILDREN
MAKE LIFE ...
ENJOYABLE



CEO'S MESSAGE



Every now and then in the world of a not for profit agency, the combination of political and contract cycles converge to create conditions for a perfect storm of uncertainty: 2013/14 was such a year for Playgroup WA with 14 out of 16 contracts due to expire. We have even had to tender for our core Federal community playgroup funding for the first time.

At times like this it is not uncommon to see staff members looking to secure other jobs and understandable loss of focus. I am very happy to say that we have seen none of that at Playgroup WA. Though I tempt fate by saying so, to date we have retained all existing contracts apart from those where we recommended changes due to changing community need. It is a great testament to the quality of our work and our open and honest relationships with all funders. Amidst the strain of tender writing and contract renegotiation we have also experienced a homecoming of sorts with the first formal partnership with the WA Education Department in 30 years. Few would know that the WA Education Department was our primary funder in the 1970's and early 80's. We are very excited about the opportunity to assist playgroups



CHILDREN MAKE LIFE

and schools from all education sectors to work together to support healthy child development and transition to school. We also look forward to providing all of our families with access to resources and information to assist them to create environments conducive to children taking advantage of the educational opportunities that our schools provide. The partnership is another sign that family and community contributions to positive child outcomes are being embraced by policy makers and Government. It also marks another step for the WA Education Department as it has progressively and commendably moved to focus more energy and resource on the early years in line with abundant evidence about the critical development windows in young children's lives. The core of our work remains the support of vibrant parent-led community playgroups. It has become increasingly apparent that the availability of affordable and suitable community meeting places is a significant barrier to playgroup participation. Whilst we continue to

work closely with local governments it is clear that the cost and ease of accessing a playgroup varies widely and depends on where people live. We know that there is an ongoing strong demand for playgroups but local amenities are not always available. It is our ongoing task to ensure that playgroups are seen as contributing positively to local communities and are treated accordingly.

As we move through these exciting if uncertain times it has been a continuing pleasure to work with a Board and Staff team who are clear about our values and set about achieving our purpose with passion and professionalism. We believe in families supporting children and in families supporting families. It is these connections that are at the heart of community and it is a privilege to be a part of that work.

D Zarb

David Zarb
CEO, Playgroup WA



ABOUT US

Playgroup WA is a community organisation run on a not-for-profit basis.

We are very proud to have been supporting, servicing and establishing playgroups throughout the State since 1972.

While our head office is based in North Perth, we have a regional presence with an office in Bunbury to assist us to service our 14,000+ State-wide members to access and enjoy the benefits of playgroup.

With more than 500 member playgroups across the State we have sessions operating from Esperance to Kununurra, from Leonora to Lancelin and across the Perth metropolitan area.

This amazing reach wouldn't be possible without the wonderful work done by our playgroup families who organise and run their local playgroups. Once again, our special thanks go to those who help organise their playgroup while also managing their own family's needs. The playgroup movement continues to thrive because of these amazing contributions.

OUR VISION

Is that the people of WA value playgroups

OUR PURPOSE

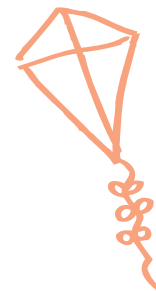
Is to support all young children, families and communities, to enjoy, learn and grow together through playgroup

WE VALUE

- The importance of play in learning
- The role of parents, families and communities in supporting the well-being of young children
- The role of playgroup in supporting families with young children
- The 'UN rights of the child'

STRATEGIC OBJECTIVES

- Be recognised as a leader and expert in our field
- Growing and supporting our members
- Broadening access to playgroups
- Sustaining the health of Playgroup WA

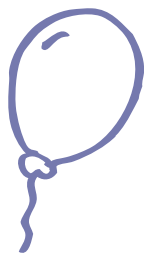


CHILDREN MAKE LIFE ...

SILLY



COMMUNITY PROGRAMS



Our Community Playgroups are independent groups that vary in size from three to four families to more than 200 family members.

Playgroup WA's role is to provide support to existing community playgroups and to assist families to establish new playgroups. Our Community Playgroup Program aims to provide families the opportunity to develop the social networks necessary to support them in their parenting. In addition, it provides opportunities for children to learn through play and develop their social, emotional, cognitive and physical skills.

We also provide support to playgroup committees to ensure the sustainability of the community playgroup sector.

Additionally, we establish and manage various playgroup programs within the community aimed at families with children under school age whose circumstances make it unlikely that they would access a community or parent-led playgroup.

The support we provide is partially funded through our family membership fees, along with funding from the Australian Government's Department of Social Services and the Western Australian Government's Department of Local Government and Communities Sector Support Program. The current program extends to December 2014.

INTERGENERATIONAL ACTIVITIES SERVICE

Playgroup WA's Intergenerational Activities Service provides seniors and families with young children the opportunity to interact through play in a range of settings and aims to bridge the gap and foster understanding and respect between generations. As part of this service we provide support to other services and agencies to operate intergenerational playgroups and to assist new groups to start. Additionally, we co-ordinate a facilitated Intergenerational Playgroup as a demonstration model of best practice.



CHILDREN MAKE LIFE ... BEAUTIFUL

Further to this, we hold an annual schedule of smaller events and one large event to spread the word about Intergenerational Playgroups, whilst working with other service providers to collaboratively hold community events and activities to bring the generations together.

The program is funded through the Western Australian Government's Department of Local Government and Communities.

ROAD AWARE PARENTS SMART STEPS PROGRAM

Playgroup WA has an ongoing partnership

with School Drug Education and Road Aware (SDERA) to promote road safety messages around passenger, pedestrian and driveway safety.

Through the Smart Steps project we deliver safety tips and strategies to parents/ caregivers through articles in our publications and eNewsletters to encourage parents and caregivers to model safe practices and to provide advice on how they can teach their children about road safety.

SDERA is a major sponsor of Playgroup WA's Annual Fun Day.



In addition, Playgroup WA is an ongoing member on the Road Aware Parents Reference Group.

SUPPORTED PLAYGROUP PROGRAM AREA

Playgroup WA operates a number of programs based on the Supported Playgroup Model. Through these programs we provide facilitated playgroup sessions along with parenting support, workshops, information and referrals. Supported Playgroups offer similar activities as Community Playgroups but have paid facilitators to assist with planning and activities to ensure that weekly two hour sessions are welcoming and stimulating for families and their children

and to introduce other services and supports to attending families.

SUPPORTED PLAYGROUP PROGRAM (SPG)

The main aim of the SPG program is to engage families with children under school age who would not normally access a community playgroup. These can be families who are experiencing disadvantage, social or geographical isolation, families from culturally and linguistically diverse backgrounds, and young parents. We work with the families to assist their transition to a community playgroup. In some cases this might also include transition to some other form of community engagement. Each group has a Playgroup Support Worker who works with the families to build skills and

confidence for up to 12 months.

Playgroup WA delivers the program in Western Australia under contract from Playgroup Australia, with funding from the Australian Government's Department of Social Services until December 2014.

PLAYCONNECT PROGRAM - SUPPORTING CHILDREN WITH AUTISM AND THEIR FAMILIES

PlayConnect Playgroups are designed for families with a child aged from 0-6 years who has Autism Spectrum Disorder (ASD) or displays ASD-like behaviours. An advantage of this program is that the child does not need a formal ASD diagnosis to join a PlayConnect Playgroup.

The aims of the program are to provide play opportunities that are flexible and tailored to the special needs of the children attending each group. In addition, an important aspect of the program is to build support and social networks between parents and caregivers by ensuring sessions allow parents and carers the time to share stories, advice and information.

Like most other playgroups, PlayConnect Playgroups meet weekly for around two hours. They can be facilitated by a paid coordinator for between six and 24 months. Families are encouraged to be actively involved in the planning and the running of the PlayConnect

Playgroup sessions.

The program is funded by the Australian Government's *Helping Children With Autism initiative* and extends to June 2015.

PERINATAL MENTAL HEALTH PROGRAMS

Playgroup WA has operated playgroups for women experiencing Postnatal Depression (PND) and/or anxiety for several years. In the last year we have had six groups operating.

Using the Supported Playgroup Model these programs aim to facilitate the mother/child relationship by providing safe and supportive environments where mothers and their children have opportunities to spend positive time together through play. They also reduce the social isolation that many women feel when experiencing PND and anxiety by offering opportunities for mothers to develop friendships, social networks and peer support. The wellbeing of participants is also supported through the provision of information about other local support services.

These programs are funded through various sources including:

- The Mental Health Commission through the Department of Health's Perinatal Mental Health Unit
- The Department of Social Services through the Supported Playgroup Program



- The Swan Alliance made up of Mission Australia, Ngala and Anglicare as part of the Department for Social Services Communities for Children Plus Program in the Midland region

Playgroup WA also works to raise awareness of PND through regular articles in our publications and eNewsletters.

WESTMINSTER MULTICULTURAL SUPPORTED PLAYGROUP

The Multicultural Playgroup offers attending families two sessions a week and operates in partnership with Westminster Junior Primary School. The playgroup is held in the new Child and Parent Centre, based on the school site and supports the needs of parents and children from culturally and linguistically diverse backgrounds and addresses the particular needs of families who have newly settled in the area. It brings together families from diverse backgrounds to empower parents and caregivers through play and interaction with their children. The playgroup also works as a link to wider support networks and services in the local community.

The playgroup is funded through The Smith Family as the Facilitating Partner in the Mirrabooka Communities for Children site, which is in turn funded by the Australian

Government's Department for Social Services.

ELLENBROOK AND BULLSBROOK PLAYGROUPS

We facilitate a community playgroup at the Bullsbrook District High School and support the existing three-year old playgroup at the school as well as facilitating a multicultural playgroup in Malvern Springs, Ellenbrook.

These playgroups are also funded through the Swan Alliance.



ABORIGINAL PROGRAMS

Playgroup WA continues to extend work with Aboriginal families and communities through our Supported Playgroup programs, the Aboriginal Play and Learning Network and Forum and professional development of Aboriginal staff at the request of other agencies.

ABORIGINAL PLAY AND LEARNING NETWORK

Playgroup WA continues to support the Aboriginal Play and Learning Network which meets four times a year as a support for staff - with particular focus on Aboriginal staff - who work with Aboriginal families and children 0-5 years of age. We also work in collaboration

with the Department of Local Government and Communities, Yorganup IPSU and the State Library to hold a biennial one day Aboriginal Play and Learning Forum which attracts up to 150 delegates from across the State. Each Forum has a different theme relating to child development, play and the early years and includes Aboriginal guest speakers and hands on activity sessions. The Forum was held in May this year and focused on the importance of play and wellbeing.

LOCATIONAL SUPPORTED PLAYGROUP

This program aims to ensure that Aboriginal families in Northam and York with children



under school age have access to culturally and developmentally appropriate playgroup experiences to give children the best start in life. In particular the program aims to:

- promote positive early development by improving parents'/caregivers' knowledge, skills and parenting capacity
- build the strengths, safety and well-being of families and their young children
- reduce the impact of health risk factors, social disadvantage and other issues on children's development through prevention and early intervention strategies.

Currently there are four playgroup sessions a week (three in Northam and one in York) with one solely focussed on 3+ school transition.

This program is funded by the Australian Government's Department of Prime Minister and Cabinet until December 2014.

PARENTAL AND COMMUNITY ENGAGEMENT (PaCE) PROGRAMS

Based on a Supported Playgroup Model, these programs operated in Ashfield, Brookton, Collie and in the communities of the Ngaanyatjarra Lands - Warakurna Blackstone, Kiwirrkurra and Jameson. The projects involve partnerships with local agencies including the Shire of Ngaanyatjarra Lands, Collie Nboodja Aboriginal

Corporation and Brookton Seabrook Aboriginal Corporation.

The PaCE program aims to develop positive relationships between Aboriginal families with preschool-aged children and their local primary school by enhancing the capacity of parents and caregivers. Working to ensure school readiness of children, the program also aims to enhance long term relationships between schools and communities.

The projects offer an integrated service based around the 'soft entry' point of a weekly playgroup session. They also deliver a series of capacity building workshops targeted at parents and caregivers.

Under this program we also continue to deliver workshops to our Aboriginal playgroups in Northam, York and Westminster.

This program is funded by the Australian Government's Department of Prime Minister and Cabinet until December 2014.

WESTMINSTER ABORIGINAL SUPPORTED PLAYGROUP

The Aboriginal Supported Playgroup program at the Westminster Junior Primary School continued this year. The playgroup provides culturally appropriate playgroup experiences for Aboriginal families and supports Aboriginal culture through the playgroup content and

structure.

The Playgroup Support Worker works with parents and caregivers to empower them and build confidence so that interactions with their children enhance both development and well-being. Based on the school site in the new Child and Parent Centre, the playgroup assists families and children to transition into the school environment. Additional early years' services and resources are also incorporated into the playgroup through a number of workshops.

This program is funded through The Smith Family as the Facilitating Partner in the Mirrabooka Communities for Children site, who is in turn funded by the Australian Government's Department for Social Services.

BALGO PARENTING SERVICES PLAYGROUP CAPACITY BUILDING

This year Playgroup WA had the opportunity to travel to Balgo in the West Kimberley to provide training and capacity building to the local staff running a playgroup for local families. This involved six trips to give direct support and developing culturally appropriate resources and training applicable in a remote context.



REGIONAL SUPPORT

Supporting playgroups across the vast distances of WA is a challenge that we continue to face. We are pleased to report that following the successful establishment of our South West office in 2011 we will shortly be opening a Great Southern office in Albany.

During 2013/14 our team of Development Officers once again travelled the State to support our regional members and promote the benefits of playgroup to families and communities.

We have a two year travel cycle to ensure we reach as many communities and playgroup members as possible and during our playgroup visits we aim to present an activity as well as speak with committee members about any concerns or issues they might have. Whenever possible we hold small community play days to model new play ideas and promote playgroups.

Once again Playgroup WA sponsored the Under 5s zone at the Bunbury KidsFest which gave us an opportunity to chat with playgroup members

and local families about playgroup.

Also, we travelled to the Goldfields twice – visiting playgroups in Kalgoorlie and Kambalda as well as hosting the Kalgoorlie Kidsfest Under 5s zone.

The last of six trips to Balgo, a remote Aboriginal community in the Kimberly, were also done to provide professional support to staff facilitating a playgroup for local families. We were pleased to make all six trips with only one tyre blow out and some very helpful fellow travellers who helped get us on the road again.

We travelled to the Central Wheatbelt in the middle of 2013 visiting groups in Merriden, Mukinbudin, Bencubbin, Tammin and Kellerberrin

And in late 2013 we travelled to the East Pilbara to visit our playgroup members in Paraburdoo, Tom Price and Newman. Development Officers also travelled to the Esperance region visiting playgroups and holding playday events in Esperance, Salmon Gums, Condingup and




Ravensthorpe. We took the opportunity to invite members from the nearby towns of Hopetoun and Norsemen.

We finished 2013 with a tour of the South West holding a wine and cheese evening in Narrogin and play day events in Dumbleyung, Wickepin, Pingelly and Lake Grace. Additionally, we held an Intergenerational Family Play Day in Narrogin.

PLAYGROUP WA IN THE SOUTH WEST

The South West role is now well established

with ongoing support, events and workshops available for Playgroup WA members and families in the area throughout the year. With the office for the South West now located more centrally in Bunbury, Playgroup WA continues to work with local communities to provide continued access to information and support. Involvement in the Early Years' Networks and new parent sessions with Child Health has enabled many opportunities to promote the services of Playgroup WA in the South West.



CHILDREN MAKE LIFE ... INTERESTING





COMMUNICATIONS

OUR DIGITAL MAGAZINE

At the start of the reporting period, we focused heavily on developing a new-look digital magazine.

We chose *Little Things* as the title as it reflects much of what playgroup is all about: the life-long friendships, the community spirit, the support from people who are embarking on the same journey of raising children and of course the play that is so fundamental to healthy development.

And while we were sad that the national magazine (Totline) came to an end mid-2013, we saw an opportunity to produce a magazine that was totally West Australian with articles from local freelance journalists and other agencies working with children and families as well as playgroup-specific content including real life stories from our playgroup members.

As such, our launch issue was published in October 2013 promoted via eFlash; Facebook

and face-to-face events/meetings. Once launched, we surveyed members to audit feedback which was overwhelmingly positive.

Subsequent issues were published in December 2013, February 2014 and May 2014 with all aspects of the title handled in house from writing content to designing layout to sourcing advertising and meeting contract commitments to distribution and evaluation.

ENEWSLETTERS

Distribution of our fortnightly eNewsletters continued throughout the reporting period detailing information on our organisation, events, workshop program and advertising.

The mix of Playgroup WA news, industry updates, competitions and other promotional articles continued to be well-received by our members and shared with the wider community. At the end of the reporting period we had some 29,000 email addresses on our database who we shared with our eNewsletters and eFlashes



and we are delighted that our open rate sits around 26% across all of these communication channels.

SOCIAL MEDIA

Readily available mobile devices and the increased usage of smart phones has changed the way people connect, discover and share information. As such, one of our major aims for the past 12-months was to improve our Facebook communications with members.

A 350 day communication engagement schedule now supplements our strategic position and has enabled us to double our fan base over the past 12 months to more than 7,000 fans.

WEBSITE

As our commitment to social media firmed in 2013-14 we used Facebook posts to further complement our website content.

For example, we used our Facebook page and

eNewsletters to communicate key messages to our members that then drove them back to our website for more information. As such, the website continued to enjoy great usage because of this cross-promotional technique which we found allowed us to market our digital publication *Little Things*, the online Playgroup Manual, online events calendar and more in a timely manner.

Further to this our website's *find a playgroup* search function proved popular with our audience who used the service to self-select local playgroups at a time and locale convenient to them.



CHILDREN
MAKE LIFE ...
WORTHWHILE



EVENTS

The **Playgroup WA Annual Fun Day** was held on November 12, 2013 at Perry Lakes in Floreat. A beautiful day saw more than 2,000 people – predominantly Playgroup WA members – enjoy the fun day out to interact with Playgroup WA staff and entertain with activities such as baby play, active & nature play, animal farm, bouncy castle, face painting and live performances.



As part of **National Playgroup Week** - held from 24-30 March 2014 - Playgroup WA hosted its famous **World's Biggest Playgroup Day** at Whiteman Park. Playgroup activities, competitions, a continuous stage program with live performances from The Lulus, magicians, playgroup sing-alongs and more completed the day. Partnering community organisations displayed activities and enjoyed engaging with the crowd of over 4,000 people. The free family day promoted the importance of play and was aimed at strengthening the relationship between playgroups and the community.



WHITEMAN PARK
RECREATION & CONSERVATION RESERVE

Playgroup WA hosted the **Ellenbrook Early Years' Festival** on May 18, 2014. More than 2,000 people attended the free Early Years' Festival at the Charlie Gregorini Memorial Park to enjoy the variety of 31 different activities for families with children aged 0-12 and to engage with community organisations and local service providers. The festival was funded by the Swan Alliance.

Partnerships

At times we rely on other organisations and businesses to help us deliver a quality service to both our members and the wider community. Some of our partners assist by contributing regular content and activities to our publications and events while others offer a platform via their

own communication channels to spread the word about playgroups to their followers and/or member-base. As such, we would like to thank the following partners for their continued support over the reporting period:

- ABC Baby Card
- Awesome Arts Festival
- Bubbler Deals
- Nature Play WA
- Scitech
- The Perth Zoo
- The Telethon Kids Institute



ANNUAL MEMBER SURVEY

The Annual Member Survey was conducted in December and early January 2013/2014 using Survey Monkey and was promoted to Playgroup WA members via our eNewsletters and Facebook posts as well as via the Playgroup WA website.

The respondents included 68% family members, 24% Committee Members and 8% of Playgroup WA Presidents. Key results of the survey included:

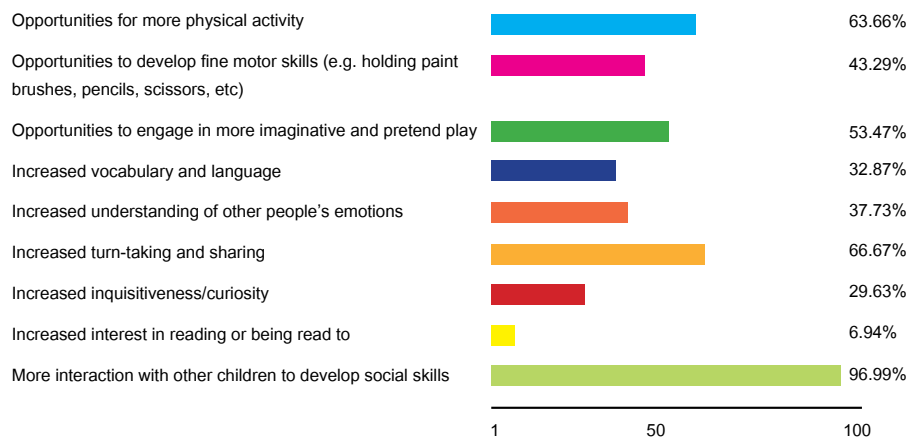
Our members predominantly find out about their playgroup via:-

- Word of mouth 35%
- Child Health Nurse 32%
- Playgroup WA Website 22%
- Google 10%

Out of all respondents, 87% stated they would continue to go to playgroup in 2014.

Of the 13% that did not plan on going to Playgroup in 2014, the majority stated they would start Kindy, had work commitments or were time poor.

How has playgroup assisted your child's development (tick all that apply)



PLAYGROUP ATTRIBUTES

- 92% of respondents said they benefit from attending playgroup
- Over 95% agree that attending Playgroup has helped to provide them with a sense of friendship, community, and/or connectedness.
- Over 95% agree that attending Playgroup has assisted their child's development.

PLAYGROUP RESOURCES

The Playgroup WA website had the highest awareness level with 90% and proved to be a valuable source of information for both

members and prospective members. This was followed by the Australian Baby Card with 75% awareness and the eNewsletter (65%).

The newly launched eMagazine *Little Things* received a 50% awareness rating, even though the survey was launched just one month after the introduction of the first issue.

The awareness of Playgroup WA's manual increased to 26% (15% in 2012) shortly after being uploaded to the website. Since then promotion of the manual has evolved and access made easier.

CHILDREN
MAKE LIFE ...
IMPORTANT



Playgroup WA (Inc)

ABN: 14 415 755 273

Auditor's Independence Declaration

For the Year Ended 30 June 2014

Auditor's independence declaration to the Board of Playgroup WA (Inc)

In relation to our audit of the financial report of Playgroup WA (Inc) for the period ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of Australian Professional Accounting bodies.

Robert John Campbell CPA

Registered Company Auditor No. 334773
Australian Audit Group Pty Ltd
Level 2, 459 Hay Street, PERTH, WA 6000

Date: 08/10/2014

Playgroup WA (Inc)

ABN: 14 415 755 273

Independent Auditor's Report

For the Year Ended 30 June 2014

To the members of Playgroup WA (Inc)

We have audited the accompanying special purpose financial report of Playgroup WA (Inc), which comprises the Statement of Financial Position as at 30 June 2014 and the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended 30 June 2014, and notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Board.

Board's responsibility for the financial report

The Board of Playgroup WA (Inc) are responsible for the preparation of the financial report that gives a true and fair view in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Act (WA) 1987 and for such internal control as the Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Playgroup WA (Inc)

ABN: 14 415 755 273

Independent Auditor's Report

For the Year Ended 30 June 2014

Opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of Playgroup WA (Inc) as of 30 June 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board's financial reporting responsibilities under the constitution of Playgroup WA (Inc). As a result, the financial report may not be suitable for another purpose.

Robert John Campbell CPA

Registered Company Auditor No. 334773

Australian Audit Group Pty Ltd

Level 2, 459 Hay Street, PERTH, WA 6000

Date: 08/10/2014

Playgroup WA (Inc)

ABN: 14 415 755 273

Report of the Board

For the Year Ended 30 June 2014

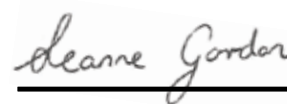
The Board presents the report on Playgroup WA (Inc) for the financial year ended 30 June 2014.

The Board have been in office since the start of the financial year to the date of this report unless otherwise stated.

The net profit of Playgroup WA (Inc) for the financial year ended 30 June 2014 amounted to (\$59,798).

The principal activity of the association during the financial year was to support all young children, families and communities to enjoy, learn and grow through playgroup.

During the period, Playgroup WA (Inc) applied the accounting policies described in note 1 to these financial statements.



Name: Leanne Gordon
Position: Board President, Playgroup WA
Date: 08/10/2014



Name: Julie Kirby
Position: Treasurer, Playgroup WA
Date: 08/10/2014

Playgroup WA (Inc)

ABN: 14 415 755 273

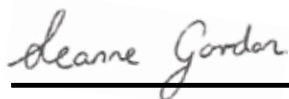
Statement by the Board

For the Year Ended 30 June 2014

In the opinion of the Board of Playgroup WA (Inc):

- The financial report presents a true and fair view of the financial position of Playgroup WA (Inc) as at 30 June 2014, and its performance for the year ended on that date, in accordance with the accounting policies described in note 1 to these financial statements.
- The operations of Playgroup WA (Inc) have been carried out in accordance with its constitution.
- At the date of this statement, there are reasonable grounds to believe that Playgroup WA (Inc) will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:



Name: Leanne Gordon
Position: Board President, Playgroup WA
Date: 08/10/2014



Name: Julie Kirby
Position: Treasurer, Playgroup WA
Date: 08/10/2014

Playgroup WA (Inc)

ABN: 14 415 755 273

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

	Notes	2014 \$	2013 \$
Grants	2	1,436,913	1,357,342
Client Contributions	3	359,305	392,074
Investment income	4	38,253	49,770
Other		25,345	14,967
Total revenue from operating activities		1,859,816	1,814,153
Employment		(1,428,078)	(1,271,658)
Program	5	(130,108)	(152,680)
Administration	6	(156,976)	(172,165)
Property	7	(34,260)	(44,633)
Promotional expense	8	(110,250)	(134,479)
Depreciation		(59,942)	(30,413)
Total expenses from operating activities		(1,919,614)	(1,806,028)
Profit (loss) for the year		(59,798)	8,125
Other comprehensive income			
Revaluation of land and buildings	1(b)	956,595	-
Total comprehensive income for the year		896,797	8,125

The accompanying notes form part of these financial statements.

This report should be read in conjunction with the attached audit report.

Playgroup WA (Inc)

ABN: 14 415 755 273

Statement of Financial Position

As at 30 June 2014

	Notes	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	9	862,107	1,269,807
Receivables	10	69,186	44,164
Investments	11	214,699	201,593
Total current assets		<u>1,145,992</u>	<u>1,515,564</u>
Non-current assets			
Website build and Database improvements	12	61,623	121,565
Land and buildings		<u>1,600,000</u>	<u>643,405</u>
Total non-current assets		<u>1,661,623</u>	<u>764,970</u>
Total assets		<u>2,807,615</u>	<u>2,280,534</u>
Current liabilities			
Payables	13	<u>418,669</u>	<u>811,610</u>
Total current liabilities		<u>418,669</u>	<u>811,610</u>
Non-current liabilities			
Non-current Provisions	14	<u>23,225</u>	<u>-</u>
Total non-current liabilities		<u>23,225</u>	<u>-</u>
Total liabilities		<u>441,894</u>	<u>811,610</u>
Net assets		<u>2,365,721</u>	<u>1,468,924</u>
Equity			
Retained earnings		776,108	835,906
Reserves	15	<u>1,589,613</u>	<u>633,018</u>
Total equity		<u>2,365,721</u>	<u>1,468,924</u>

The accompanying notes form part of these financial statements.

This report should be read in conjunction with the attached audit report.

Playgroup WA (Inc)

ABN: 14 415 755 273

Statement of Cash Flows

For the Year Ended 30 June 2014

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from operations		1,461,899	1,774,832
Payments to suppliers and employees		<u>(1,880,248)</u>	<u>(1,724,805)</u>
Net cash generated by/ (used in) operating activities	16	<u>(418,349)</u>	<u>50,027</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(78,584)
Acquisition of investments		-	500
Interest received		<u>23,755</u>	<u>34,845</u>
Net cash generated by/ (used in) investing activities		<u>23,755</u>	<u>(43,239)</u>
Cash flows from financing activities			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>(394,594)</u>	<u>6,788</u>
Cash and cash equivalents at the beginning of the financial year		<u>1,471,400</u>	<u>1,464,612</u>
Cash and cash equivalents at the end of the financial year		<u>1,076,806</u>	<u>1,471,400</u>

The accompanying notes form part of these financial statements.

This report should be read in conjunction with the attached audit report.

Statement of Changes in Equity
For the Year Ended 30 June 2014

	Retained earnings	Capital Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2012	<u>827,781</u>	<u>633,018</u>	<u>-</u>	<u>1,460,799</u>
Total comprehensive income for the 2013 year	8,125	-	-	8,125
Balance at 30 June 2013	<u>835,906</u>	<u>633,018</u>	<u>-</u>	<u>1,468,924</u>
Loss for the 2014 year	(59,798)	-	-	(59,798)
Other comprehensive income	-	-	956,595	956,595
Balance at 30 June 2014	<u>776,108</u>	<u>633,018</u>	<u>956,595</u>	<u>2,365,721</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached audit report.

Notes to the Financial Statements
For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act WA 1987. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The Financial Report has been prepared in accordance with the following Australian Accounting Standards.

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes In Accounting Estimates and Errors
- AASB 1031: Materiality
- AASB 1048: Interpretation of Standards
- AASB 1054: Australian Additional Disclosures

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

a. Income Tax

The association is exempt from income tax under the mutuality principle in the Income Tax Assessment Act.

b) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

During the 2014 financial year, land and buildings were revalued by an external valuer. The values per the valuation have been included in the statement of financial position, with the adjustment amount recorded through other comprehensive income.

c) Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

These notes should be read in conjunction with the attached audit report.

Notes to the Financial Statements
For the Year Ended 30 June 2014

d) Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

e) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f) Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

g) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

h) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

These notes should be read in conjunction with the attached audit report.

Notes to the Financial Statements
For the Year Ended 30 June 2014

j) Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

k) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l) Change in accounting policy

During the current financial year, Playgroup WA has changed accounting policy in regard to the calculation of long service leave provision.

Previously, the provision for long service leave was calculated based on nominal values. Management has decided to use the present value of the estimated future cash outflows approach in calculating the long service leave liability from the current year. The new accounting policy is detailed in note 1(e).

In accordance with AASB108 'changes in accounting policies, estimates and errors', the Board of Playgroup WA has determined that it would be impracticable restate the previous period applying the new accounting policy. As a result, the prior period has not been restated, and the full impact of the change in policy is reflected in the current financial year.

These notes should be read in conjunction with the attached audit report.

Notes to the Financial Statements
For the Year Ended 30 June 2014

m) New and Amended Accounting Policies Adopted by the Association

Employee benefits

During the year, the Playgroup WA adopted AASB 119: *Employee Benefits* (September 2011) and the relevant consequential amendments arising from the related Amending Standards. The association has applied AASB 119 (September 2011) and the relevant consequential amendments arising from the related Amending Standards from 1 January 2013.

For the purpose of measurement, AASB 119 (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related services. In accordance with AASB 119 (September 2011), provisions for short-term employee benefits are measured at the (undiscounted) amounts expected to be paid to employees when the obligation is settled, whereas provisions that do not meet the criteria for classification as short-term (other long-term employee benefits) are measured at the present value of the expected future payments to be made to employees. Previously, the Playgroup WA had separated provisions for benefits with similar characteristics, such as annual leave and sick leave, into short- and long-term portions, and applied the relevant measurement approach under AASB 119 to the respective portions.

As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, adoption of AASB 119 (September 2011) did not have a material impact on the amounts recognised in respect of the association's employee provisions. Note also that adoption of AASB 119 (September 2011) did not impact the classification of leave entitlements between current and non-current liabilities in the association's financial statements.

AASB 119 (September 2011) also introduced changes to the recognition and measurement requirements applicable to termination benefits and defined benefit plans. As the association did not have any of these types of obligations in the current or previous reporting period, these changes did not impact the association's financial statements.

Fair value measurement

During the year, the association adopted AASB 13: *Fair Value Measurement* and the relevant consequential amendments arising from the related Amending Standards. The association has applied AASB 13 and the relevant consequential amendments arising from the related Amending Standards from 1 January 2013.

No material adjustments to the carrying amounts of any of the association's assets or liabilities were required as a consequence of applying AASB 13. Nevertheless, AASB 13 requires enhanced disclosures regarding assets and liabilities that are measured at fair value and fair values disclosed in the association's financial statements.

The disclosure requirements in AASB 13 need not be applied by the association in the comparative information provided for periods before initial application of AASB 13 (that is, periods beginning before 1 January 2013). However, as some of the disclosures now required under AASB 13 were previously required under other Australian Accounting Standards, such as AASB 7: *Financial Instruments: Disclosures*, the association has provided this previously provided information as comparatives in the current reporting period.

These notes should be read in conjunction with the attached audit report.

Notes to the Financial Statements
For the Year Ended 30 June 2014

	2014 \$	2013 \$
2 Grants		
Department of Families, Housing, Community Services and Indigenous Affairs	486,645	459,038
Department of Local Government and Communities	239,022	241,317
Department of Education, Employment and Workplace Relations	234,395	200,950
Playgroup Australia Ltd	188,468	115,113
Ngala Community Services, Swan Alliance	145,870	146,149
The Smith Family	60,991	40,047
Community Enterprises Australia Limited	32,131	32,319
Department of Health	27,211	23,891
Catholic Education Office of WA	12,614	12,614
Lotterywest	-	76,790
Fee for Service	9,566	9,114
	<u>1,436,913</u>	<u>1,357,342</u>
3 Client Contributions		
Memberships	356,542	383,830
Workshops	2,763	8,244
	<u>359,305</u>	<u>392,074</u>
4 Investment income		
Interest	23,755	32,290
Earnings on investments	14,498	17,480
	<u>38,253</u>	<u>49,770</u>
5 Program		
Workshop and program materials and consumables	53,700	57,069
Workshop and program expenses	32,192	52,045
Australian Baby Card	23,100	23,100
Venue hire	18,280	20,466
Subsidised memberships	2,836	-
	<u>130,108</u>	<u>152,680</u>
6 Administration		
Insurance	56,163	56,134
Council levy	16,380	17,636
Telephone and internet	24,735	18,966
Printing, postage and stationery	23,280	32,413
Audit fees	7,280	5,580
Consultancy	4,200	3,195
Computer and office equipment repairs and maintenance	7,302	20,356
Subscriptions and memberships	4,176	3,867
AGM and Board expenses	8,945	8,218
Bank charges	2,526	2,185
Other	1,989	3,615
	<u>156,976</u>	<u>172,165</u>

These notes should be read in conjunction with the attached audit report.

Playgroup WA (Inc)

ABN: 14 415 755 273

Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014 \$	2013 \$
7 Property		
Rates and taxes	8,513	7,812
Electricity	7,290	7,357
Rented premises	5,204	11,050
Cleaning	5,150	5,607
Strata fees	3,767	3,766
Repairs and maintenance - building	3,471	3,205
Other	865	5,836
	<u>34,260</u>	<u>44,633</u>
8 Promotional expense		
Publication costs	15,536	59,259
Promotional materials	29,384	15,533
Promotional events	58,566	50,354
Promotional advertising	6,764	9,333
	<u>110,250</u>	<u>134,479</u>
9 Cash and cash equivalents		
Cash at bank	860,728	1,267,542
Cash on hand	1,379	2,265
	<u>862,107</u>	<u>1,269,807</u>
10 Receivables		
Trade receivables	69,186	44,164
	<u>69,186</u>	<u>44,164</u>
11 Current Investments		
Perpetual Cash Management Fund	102,738	91,510
Asgard Capital Management	111,961	110,083
	<u>214,699</u>	<u>201,593</u>
12 Website build and Database improvements		
Website build and Database improvements	158,908	481,639
Less depreciation - website build and database improvements	(97,285)	(360,074)
	<u>61,623</u>	<u>121,565</u>
13 Payables		
Creditors	15,537	63,654
Employee benefits	194,092	169,698
Unspent grants	160,937	510,077
Other payables	48,103	68,181
	<u>418,669</u>	<u>811,610</u>

These notes should be read in conjunction with the attached audit report.

Playgroup WA (Inc)

ABN: 14 415 755 273

Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014 \$	2013 \$
14 Non-current Provisions		
Long service leave provision - See note 1(m)	23,225	-
	<u>23,225</u>	<u>-</u>
15 Reserves		
Capital reserve	633,018	633,018
Asset revaluation reserve	956,595	-
	<u>1,589,613</u>	<u>633,018</u>
16 Reconciliation to Cash Flows from Operations		
Net profit (loss) for the year	(59,798)	8,125
Non-operating cash flows in net profit (loss)		
Depreciation and amortisation	59,942	30,413
Interest received	(23,755)	(34,845)
Change in Assets and Liabilities		
(Increase)/decrease in receivables	(25,022)	3,977
Increase/(decrease) in payables	(392,941)	42,357
Increase/(decrease) in provisions	23,225	-
	<u>(418,349)</u>	<u>50,027</u>
Net cash provided by operating activities		
	<u>(418,349)</u>	<u>50,027</u>

These notes should be read in conjunction with the attached audit report.

Playgroup WA (Inc)

ABN: 14 415 755 273

Notes to the Financial Statements

For the Year Ended 30 June 2014

17 Related party information**a) Members of the Board**

The members of the Board who served for the whole of the financial year, unless otherwise indicated, are as follows:

Leanne Gordon	President
Nicole Kerr	Member
Charlie Kempson	Member
Kate Atkinson	Member
Christie-Lee Davies	Member
Mel Guppy	Member
Mel Roberts,	Member
Julie Kirby	Member

b) Remuneration of the Board

The members of the Board do not receive nor are entitled to any remuneration or superannuation contribution, apart from those directors mentioned above.

c) Related party transactions

There were no related party transactions requiring disclosure during the financial year.

18 Auditor's Remuneration

In the course of the year ending 30 June 2014, the Auditor received the following remuneration (excluding GST):

	2014	2013
	\$	\$
Audit fees - Australian Audit Group - Financial Statement Audit	6,000	-
Audit fees - Australian Audit Group - Audit of Grant Acquittals	4,000	-
Audit fees - Ray Woolley Pty Ltd	-	6,000
	<u>10,000</u>	<u>6,000</u>

19 Segment information

Playgroup WA (Inc) operates predominantly in one business and geographic segment, being in to support all young children, families and communities to enjoy, learn and grow through playgroup.

Playgroup WA (Inc)

ABN: 14 415 755 273

Notes to the Financial Statements

For the Year Ended 30 June 2014

20 Events after reporting date

There have been no events since 30 June 2014 that have had a material effect on the financial statements.

21 Playgroup WA (Inc) details

The principal place of business of Playgroup WA (Inc) is:

1 -3 Woodville Lane NORTH PERTH WA 6006

The registered office of business of Playgroup WA (Inc) is:

1 -3 Woodville Lane NORTH PERTH WA 6006

These notes should be read in conjunction with the attached audit report.

These notes should be read in conjunction with the attached audit report.



Playgroup WA (Inc)
1-3 Woodville Lane
North Perth, WA 6006
p. 1800 171 882
f. (08) 9228 3203
e. hotline@playgroupwa.com.au
w: www.playgroupwa.com.au
f: facebook.com/PlaygroupWA
ABN: 14 415 755 273