



2017/18

ANNUAL REPORT



A child's hand is reaching up towards a blue brushstroke banner that contains the word 'CONTENTS'. The background is a soft-focus image of a child's face and a colorful patterned cloth.

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President Report 2018

"We didn't realise we were making memories. We just knew we were having fun." Winnie the Pooh

It is often the case that it is only upon reflection when the true value of something becomes apparent. Amidst the busy pace of day to day life for families with young children, this couldn't be truer.

At Playgroup WA we have the privilege of seeing the true value of the time spent by Western Australian families with young children attending playgroup regularly. Every week thousands of young children, with their carers, attend a form of playgroup throughout WA – having fun, making memories, building friendships, connecting their communities and supporting their families and each other.

There is no shortage of research to show us that play is important for a child's development. Play is at the heart of playgroup. Play within playgroups features in the many stories you will read in this annual report of the work undertaken by Playgroup WA over the last year. By bringing families together week after week to play and enjoy experiences together with their children, playgroup is uniquely placed to tackle the ever-increasing issues of social isolation and disconnected communities and to discover the real value in playgroups.

It is fair to say that these are the things the Board and staff have been considering as we commenced the strategic planning process to review and update our 2015-18 strategic plan. What are the needs of families, young children and their communities into the future and how are we best placed here at Playgroup WA to support them? How can we ensure that the current generation of families with young children are able to be involved in the wonderful – and vital – world of playgroup? We will be working through the planning process over the remainder of this year and look forward to bringing a revised plan to our members and stakeholders soon after.

At the Board level, we have had a few changes this past year. We farewelled our longest serving Board member, Nicole Kerr, in October 2017 and we take this opportunity to thank her again for the 11 years of dedicated service to the Board. In May, we welcomed two new Board members, Shirley Goodwin and Emma Majstrovich, who have commenced their roles with enthusiasm.

As always, I would like to conclude my report by giving thanks, on behalf of the Board, to David and the team for their passion and dedication to everything they do for Playgroup WA and those we serve. A big thankyou to my fellow Board members for volunteering their time to provide ongoing support and guidance to Playgroup WA.

Wishing all of our playgroup families a wonderful year ahead. Thank you as always for making playgroups what they are.

Leanne Gordon
President



CEO Report 2018

It is hard to believe that I have now had the privilege of being the Playgroup WA CEO for over ten years. Ten years is a good chunk of time to observe and identify change and being so linked to family and societal expectations, playgroup reflects that change. The biggest change that I have observed is the growing involvement of the paid professional into children and family lives.

This involvement occurs at multiple levels but essentially involves typical middle-class families increasingly parting with money in exchange for things they had previously undertaken themselves.

These types of opportunities for families have rapidly increased in recent years and raise serious questions about the nature of parenting and the future of playgroup. Why do an increasing number of people believe they need professional help to introduce a child to sports and movement? What does the increasing amount of adult controlled classes do for children's development and the concept of child directed play? How do we best compete with for profit businesses? Are these activities in children's best interests and how do we know? These are big questions because how people spend their time and resources in relation to children are potentially big influences on population child development and well-being.

All of this has obvious implications for community playgroups which rely on the goodwill, confidence, experience and time of parents and carers.

When you consider the information technology and social media revolutions that have been occurring at the same time all of us who are interested in the wellbeing of children and families really need to start making sense of these changes, what they mean for our work and the role we play into the future. We know more about the importance of relationships to child and parent well-being than ever before and social isolation is increasingly recognised as a significant public health issue. We have anxiety and depression on the rise for both adults and children and their long-term consequences better understood.

Playgroup WA believes in parents and families. We believe that parents and families have strengths and knowledge and skills and we will continue to strive to create opportunities for people to build relationships and celebrate playfulness that is driven by children's sense of discovery and wonder. High-quality playgroups, be they community playgroups run by parents or professionally facilitated, should always be looking to build on the skills and energy of parents and carers.

I am very proud to say that the people that work at Playgroup WA demonstrate this belief in parents and carers on a daily basis in their interactions in person, by phone or email. We actively think about whether we are building capacity or creating dependence and we have witnessed the amazing abilities and commitment of WA playgroup families for 46 years. May we continue to be inspired for many more.

David Zarb
CEO



Community Playgroups

Community playgroups continue to represent the largest number of playgroups in WA. They can range from three families with one session a week, up to 200 family members and multiple sessions per week. There are over 400-member playgroups operating over 1,000 playgroup sessions a week across the state. They are run by families for families and are as varied as the families who attend.

Playgroups are a place where families can enjoy seeing their children learning through play and developing their social, emotional, cognitive and physical skills. Importantly they are also a place where children and families build lifetime friendships and locally based social networks where families are there to support each other. We know from our annual survey and conversations with playgroup families that playgroup is highly valued by participants across the state.

To support community playgroups, Playgroup WA provides advice and resources to assist families to establish and operate their own playgroup. This support is partially funded through our family membership fees; funding from Playgroup Australia, under the Department of Social Services Family Support Program; and the Department of Communities through their Sector Support Program.

Continuing from last year, we worked with the committees of incorporated playgroups to assist them with the new Incorporations Act. We are pleased to report that nearly all of our 170 incorporated playgroups have transitioned to the new Act and have new constitutions in place aligned with the new model rules.

Over the last year, our Development Officers continued to contact and visit as many community playgroups as possible to connect with the groups and ensure they know what services we can provide and that we are here to help.



Testimonials

"I feel amazingly blessed to have access to a wonderful Playgroup which is near to me and my grandchildren and we all enjoy and benefit from our weekly sessions which are enriching in multiple ways."

"I have been taking part in a Intergenerational playgroup with my son, it has been very rewarding experience to bond with some the seniors, and share with them time."

"Playgroup assists my grandchild to socialize and to share. Plus it is enjoyable for me as a grandmother"

Intergenerational Activities Service

The Intergenerational Activities Service has continued over the last year to bring seniors and families with young children together to interact through play at playgroups and local community events. The program is funded by the Department of Communities and aims to bridge the gap between generations to foster understanding and respect.

We partner with a range of other services and organisations, including aged care services to support intergenerational playgroups. Currently there are over 20 such groups operating. Intergenerational playgroups operate in a range of settings including day centres, retirement villages and in residential care. At an intergenerational playgroup, families participate in the management of the playgroup but there is the added dimension of staff from the hosting senior's services. They tend to be small intimate playgroups and are an opportunity for people without extended family to connect with older generations. In addition, Playgroup WA facilitates one Intergenerational Playgroup every six months in different sites around Perth. After six months we transition the playgroup to a community playgroup model and move on to find new sites to establish more intergenerational playgroups.

Playgroup WA, also partners with local government authorities and other agencies such as the Perth Zoo, the Maritime and Freshwater Museums, and Community Gardens to hold large and small events.





Road Aware Parents Smart Steps Program

Playgroup WA continued to promote road safety messages around passenger, pedestrian and driveway safety. Using our suite of communication platforms, we deliver regular safety tips and strategies to encourage parents and caregivers to model safe practices and to provide advice on how they can teach their children about road and pedestrian safety.

In the last year we also delivered play-based workshops to families and children at playgroup to demonstrate activities to teach young children about pedestrian and road safety.

The Smart Steps program is funded through School Drug Education and Road Aware (SDERA). SDERA is a major sponsor of Playgroup WA's Annual Fun Day.

Enhanced Transition to School Project

Thousands of children transition to school every year. This project aims to enhance that transition by cultivating connections between families and schools through playgroup. This can be establishing playgroups on school sites or building stronger relationships between community playgroups and their local school.

After 4 years, there are 84 new community playgroups with 92 sessions established on school sites; most of these are in the public-school sector. Two playgroups were recently established in Education Support Centres/ Schools and are for families who have children with a disability.

Forty-eight schools now have ongoing relationships with local community playgroups. These connections include playgroup participation at school events such as Book Week and Easter parades, attending school assemblies and opening up the school library to playgroups with special collections of books for pre-schoolers. The aim is to support the later transition of families to school.

We also have a suite of play activities for families to use at home and playgroup.

The project is a partnership between Playgroup WA and the school sector across the State. It includes Playgroup WA, the Department of Education, the Department of Communities, the Association of Independent Schools, and the Catholic Education Office.

It was initiated as part of the National Partnership on Universal Access to Early Childhood Education and is funded by the Australian Government in partnership with the Western Australian Government through the Departments of Education and Department of Communities.

"Playgroup is our social, fun, educational outing and we love it!"





Supported Playgroup Program Area

Playgroup WA operates several programs based on the Supported Playgroup Model. Through these programs paid facilitators coordinate the playgroup planning and activities and arrange parenting support, workshops, information and referrals. The facilitators role is also to ensure activities are developmentally appropriate and that families feel welcome and included.

PlayConnect Program - Supporting children with autism and their families

PlayConnect Playgroups are for families with a child aged from 0-6 years who has Autism Spectrum Disorder (ASD) or displays ASD-like behaviours. The playgroups meet weekly for two hours with a paid facilitator who works collaboratively with families to coordinate playgroup activities suitable to the individual needs of the children attending. The program is flexible and tailored to ensure it meets the needs of the families and children.

At PlayConnect playgroups, participants can draw upon the shared experiences and knowledge of others who have a child with ASD. There is no requirement for a child to have a formal diagnosis, as such families can also learn from others who have already navigated their way through the diagnosis process. Importantly, PlayConnect playgroups offer a safe, understanding environment for the children to learn to socialise with other children and to make their first friendships.

The funding for the PlayConnect program is a component of the Federal Government's Helping Children With Autism initiative. Playgroup Australia coordinates the program across Australia in partnership with each State or Territory

Playgroup Association.

Currently we have groups operating in Balcatta, Whitfords, Forrestfield and South Lakes.

Perinatal Mental Health Programs

Playgroup WA continues to deliver perinatal mental health services through the Mother Baby Nurture (MBN) Program, for women at risk of or experiencing Perinatal Depression (PND) and/or anxiety. Mother Baby Nurture is a 10-week program for mothers and 0 to 6 month old babies that focuses on enhancing mother baby relationships in a safe, confidential and accepting environment. The groups are intimate with a maximum of 7 participants. MBN groups operate with two facilitators; with specialised training (and where possible with lived experience) in perinatal and infant mental health.

The program provides a safe and supportive environment where mothers and young babies can spend positive time together through play. Whilst the groups aim to enhance the mother/child relationship, they also provide a nurturing space for women to establish vital social connections to help reduce the sense of isolation that they can feel when experiencing PND.

Participants can develop long-term friendships, locally based social networks and peer support. The wellbeing of participants is also supported through the provision of referrals and information about other local supports and services.

Over the last 12 months 4 Mother Baby Nurture Programs were run in the Midland and Ellenbrook



areas and funded by the Swan Alliance; made up of Mission Australia, Ngala and Anglicare as part of the Department for Social Services Communities for Children program.

A further program was run in the northern suburbs of Perth through funding from Ngala.

A pilot MBN program for young Aboriginal mothers and their infants was also established in the Koongamia area through a partnership with the WA Primary Health Care Alliance (WAPHA) Swan Alliance and Playgroup WA. The aim was to explore the effectiveness and feasibility of adapting MBN for Aboriginal mothers and their babies and was conducted over a period of 7 months.

Armadale Family Support Network Playgroup

The partnership between Playgroup WA and RUAH Mental Health has, over three years, delivered a supported playgroup to families who need extra support around mental health and wellbeing. Over that time the playgroup was facilitated by a playgroup support worker and mental health worker. It was not intended to be a therapeutic service. Using the playgroup model, enabled Playgroup WA and RUAH to provide a safe and

inclusive environment where mothers could feel comfortable sharing their stories and experiences of parenting with a mental health issue. The peer support gained at playgroup was a key outcome of the program.

Multicultural Playgroup

This year our multicultural playgroup in Malvern Springs, Ellenbrook continued to bring together people from a range of different cultures and nationalities. The playgroup supports families from Africa, China, Japan, Croatia, Spain, Greece, Arabia as well as Australian born families. The playgroup is a welcoming and inclusive place where families and children can meet other local families to play, socialise, share and learn about their local area. It continues to bring an intergenerational dimension with visits from local seniors who join the playgroup to enjoy spending time with the families and children.

Playgroup WA is funded to provide this service through the Swan Alliance - made up of Mission Australia, Ngala and Anglicare - as part of the Department for Social Services Communities for Children Program in the Swan region.

Aboriginal Programs

Playgroup WA continued to provide access to Supported Playgroups for Aboriginal families living in the Wheatbelt and Ngaanyatjarra Lands. The program is funded by the Prime Minister and Cabinet under the Indigenous Advancement Strategy which aims to enhance child development; school readiness; and the capacity of parents to support their children's learning. It also aims to increase employment of local Aboriginal community members.

Ngaanyatjarra Lands

The partnership between Playgroup WA and the Ngaanyatjarra Shire once again delivered playgroup to families living in remote communities near the border of Western Australia and the Northern Territory. Despite the challenges of working in remote areas in the last 12 months the program delivered playgroup sessions in the communities of Warburton, Blackstone and Jamerson and Warakurna.

The program continues to deliver playgroups to well over 100 families and children across the Lands and to encourage families to attend playgroups when they are travelling through the Lands.

Once again, Playgroup WA staff were privileged to be able to travel out to the Lands to provide support to the Playgroup Support Workers and to meet with the local families attending the playgroups.

The Wheatbelt

Partnerships with local schools in the Wheatbelt continue to support Playgroup WA to operate playgroups across the Wheatbelt. In the last year we continued to have groups operating in Quairading, Pingelly and Goomalling. The playgroups continue to be an important service to local Aboriginal families as they can be reluctant to join the local community playgroups and there are few local alternatives available.

Feedback from families is very positive and illustrates the value playgroup has for families. The playgroup families also had opportunities to

participate in wider community and school events.

Aboriginal Play and Learning Network

Playgroup WA continues to support the WA Aboriginal Play and Learning Network. The network has over 85 members from a range of organisations including Aboriginal Corporations, health services, local government, primary schools and other not for profit services. The network meets four times a year as a support for staff - in particular Aboriginal workers - who work with Aboriginal families and children 0 to 5 years of age. Meetings are held at different sites across the Perth metropolitan area to ensure members have opportunities to attend meetings and to allow organisations to show case their services.



"Love Playgroup - it is the one activity that has been consistent (and prioritised to attend) over the last 3 years"

Regional Work

Once again, the Playgroup WA development team headed out to the regions to visit playgroups and catch up with our regional playgroup members. We also continued to operate two regional offices.

South West and Great Southern

The South West office has been open for seven years and operates out of Bunbury and the Great Southern office in Albany is now in its fourth year of operation. The regional staff working out of these offices connect with the community playgroups to offer support where needed. This means that much of their time is spent on the road visiting playgroups across their respective regions.

The development officers use their time with playgroups to speak with members; model new play ideas; provide general support to committees where needed; and hold playdays; with messy playdays being a particular favorite with families. The development officers also join in community events and partner with other agencies to hold locally based events for playgroup families.

Regional Tours

This year regional tours started in August with a trip to the north in the Kimberly region visiting playgroups in Broome and Derby. In October members of the development team visited southern parts of the state to hold 'Bring a Grandparent to Playgroup' events at playgroups in Esperance, Salmon Gums, Ravensthorpe and Hopetown. We also took the opportunity to touch base with the committee members to offer support if needed.

In February the team headed to the Midwest calling in on Little Xavier's Playgroup at St Francis Xavier Primary School, Rainbow Playgroup, Drummond Cove Playgroup, Mullewa Playgroup and the Geraldton Community Playgroup. Development officers also made best use of the trip to meet with staff at the local Council and local schools.

During April development officers travelled to the Goldfields to continue our sponsorship of the Kidsfest under 5 zone in Kalgoorlie. This event has been running for several years and continues to attract large crowds bring local families together for fun and play. We also use it as an opportunity to touch base with community members to promote the local playgroups and model play ideas to families.


In May Playgroup WA staff travelled to the Ngaanyatjarra Lands to visit playgroups living in remote communities near the border of Western Australia and the Northern Territory.



Although these trips involve long drives between communities, starting with a ten-hour drive from Kalgoorlie to Warburton, it is always very rewarding to see and speak with the local Aboriginal families attending the playgroups.

Closer to home, in May, development officers met with playgroup members in Gingin, Cunderin, and in the Mandurah suburbs of Greenfields and Lakelands.

Our final tour of the year in June was a trip to the Gascoyne region visiting playgroups in Carnarvon, Exmouth, Useless Loop, and Denham to hold playdays and meet with committee members.

A close-up photograph of a young child with blonde hair, smiling. The child has white face paint on their cheeks and forehead, with red and black patterns around the eyes. They are wearing a blue t-shirt and grey cargo pants. The background is blurred, showing green foliage.

"Playgroup is an important resource to our community that allows carers and their children to interact with others in a neutral and safe environment whilst providing a range of different and interesting resources to engage the children in play."

Events & Communications

Annual Fun Day

This year our annual member celebration was held on 14 November 2017 in Madely. More than 3,000 Playgroup WA members enjoyed the Farm theme including an muddy race, messy play, toddler sports activities and lots of playgroup fun. Thank you to SDERA (School Drug Education and Road Aware) for supporting this event, as per previous years.

World's Biggest Playgroup Day

Playgroup WA's flagship event - the World's Biggest Playgroup Day was held on Wednesday 14th March, 2018 at Whiteman Park. Thousands of happy little superheroes in bright red capes enjoyed a host of interactive play hubs, stage entertainment, roving performers, animal encounters and engaging activities. Our lead sponsor Brownes' Dairy brought Jersey the Cow for milking demonstrations and provided milk and yoghurt samples from their new range. This year more than 30 community organisations joined our event providing the 3,000 plus families who attended with access to a wealth of knowledge on parenting and child development. The event continues to be a big hit with families with survey participants recording high levels of satisfaction and enjoyment from this free community event.

Partnerships

Thank you to our partners, sponsors and advertisers for their continued support over the past year, enabling Playgroup WA to promote our important messages throughout Western Australia to ensure we keep making playgroups happen.

Member Communications

Over the past year Playgroup WA has continued to strengthen its marketing communications with a strong focus on providing members with relevant and informative information.

A highly engaged audience saw Playgroup WA's facebook base exceed 13,000 people and our monthly eNewsletter and solus emails have also continued to grow in the past year.

Playgroup WA's blog continues to publicize articles and stories from staff, playgroup members and third parties alike.

The Playgroup WA website performed well over the past year, particularly when Playgroup WA were on the Brownes Dairy Milk labels in February 2018. This saw our traffic double over the following months as we offered a competition as part of the Brownes Dairy campaign. The most highly visited page is still find a playgroup with over 1,000 searches per month.

Thank you

- Anglicare WA
- Awesome Arts Festival
- Australian Digital Health
- Brownes Dairy
- Child Australia
- KidzaBuzz
- Meerilinga
- Ngala
- Parenting Connection
- Perth Zoo
- Royal Life Saving Society WA
- Rottnest Express & Rottnest Island Authority
- Seashells Resort
- Scitech
- SDERA
- Telethon Kids Institute
- Whiteman Park

... and all our advertisers.

Annual Playgroup WA

Membership Survey key findings:

This year's November-run Membership Survey attracted over 695 respondents, providing Playgroup WA with valuable feedback on the benefits of playgroup and our service delivery.

Respondents agreed that they benefit from playgroup via:

86.77%

building stronger social connections

84.25%

building new friendships

73.70%

having fun at playgroup

68.19%

spending special time with their children

96% agreed that their children benefit from attending playgroup, mainly via:

Physical play opportunities

Development of fine motor skills

Imaginative/pretend play opportunities

Developed social skills

Taking turns/sharing

Strategic Plan 2015-2018

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 role of parents, families and community in supporting the wellbeing of young children
- The importance of play
- The role of playgroup in supporting families with young children
- The enrichment of communities through playgroups

Our Strategic Objectives:

To be recognised as a leader and expert in our field

Strategies:

- Build on strategic partnerships with stakeholders
- Influence and advocate on government policy
- Enhance the evidence base for the value of playgroup
- Increase Playgroup WA's profile

To promote and grow active participation

Strategies:

- Attract, retain and support all members
- Build the capacity of community and supported playgroups to provide support to local families and communities

To broaden access to playgroups

Strategies:

- Increase playgroup access and support for all families who experience barriers to participation
- Maintain a focus on participation opportunities for Aboriginal families
- Improve playgroup access and support for families in regional and remote areas



Playgroup WA (Inc)

ABN 14 415 755 273

General Purpose Financial Report - 30 June 2018

AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Playgroup WA (Inc)

In accordance with the requirements of section 80 of the *Associations Incorporation Act 2015 (WA)*, in relation to our audit of the financial report of Playgroup WA (Inc) for the year ended 30 June 2018, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit



Alastair Gordon Abbott, CA

Registered Company Auditor number 486826

Director

Australian Audit

Perth, Western Australia

Dated: 21 September 2018

INDEPENDENT AUDITOR'S REPORT

To the members of Playgroup WA (Inc)

Opinion

We have audited the financial report of Playgroup WA (Inc) (the Entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the board.

In our opinion, the accompanying financial report gives a true and fair view of the financial position of the Entity as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 2015* (WA) and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using



the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Alastair Abbott, CA

Registered Company Auditor number 486826

Director

Australian Audit

Perth, Western Australia

Dated: 21 September 2018

**Playgroup WA (Inc)
Boards' report
30 June 2018**

The Board presents the report on Playgroup WA (Inc) for the financial year ended 30 June 2018.

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

The net (loss) of Playgroup WA (Inc) for the financial year ended 30 June 2018 amounted to (\$26,094).

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.

On behalf of the board



Board Member



Board Member

3 September 2018

**Playgroup WA (Inc)
Boards' declaration
30 June 2018**

In the boards' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, Western Australian legislation the Associations Incorporation Act 2015 and associated regulations;
- the attached financial statements and notes give a true and fair view of the association's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

On behalf of the board



Board Member



Board Member

3 September 2018

Playgroup WA (Inc)
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue			
Grants	3	2,108,078	2,108,817
Client contributions	4	291,227	305,141
Investment income	5	20,364	19,381
Other income		45,018	27,731
Total revenue		<u>2,464,687</u>	<u>2,461,070</u>
Expenses			
Employment		(1,785,087)	(1,838,957)
Program	6	(396,838)	(277,997)
Administration	7	(161,844)	(169,657)
Property	8	(42,968)	(41,272)
Promotional expense	9	(73,382)	(67,960)
Depreciation and amortisation expense		(30,662)	(47,843)
Total expenses		<u>(2,490,781)</u>	<u>(2,443,686)</u>
Operating surplus/(deficit)		(26,094)	17,384
Capital grants		<u>-</u>	<u>3,882</u>
Surplus/(deficit) for the year	17	(26,094)	21,266
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(26,094)</u></u>	<u><u>21,266</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Playgroup WA (Inc)
Statement of financial position
As at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	10	1,051,875	1,121,368
Trade and other receivables	11	29,580	51,702
Investments	12	254,170	240,878
Total current assets		<u>1,335,625</u>	<u>1,413,948</u>
Non-current assets			
Land and buildings		1,600,000	1,600,000
Website and database improvements	13	14,055	36,194
Total non-current assets		<u>1,614,055</u>	<u>1,636,194</u>
Total assets		<u>2,949,680</u>	<u>3,050,142</u>
Liabilities			
Current liabilities			
Payables	14	821,013	890,687
Total current liabilities		<u>821,013</u>	<u>890,687</u>
Non-current liabilities			
Non-current provisions	15	23,246	27,940
Total non-current liabilities		<u>23,246</u>	<u>27,940</u>
Total liabilities		<u>844,259</u>	<u>918,627</u>
Net assets		<u>2,105,421</u>	<u>2,131,515</u>
Equity			
Reserves	16	1,589,613	1,589,613
Retained surpluses	17	515,808	541,902
Total equity		<u>2,105,421</u>	<u>2,131,515</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Playgroup WA (Inc)
Statement of cash flows
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,481,322	2,468,580
Payments to suppliers and employees (inclusive of GST)		<u>(2,547,779)</u>	<u>(2,322,338)</u>
Net cash from/(used in) operating activities		<u>(66,457)</u>	<u>146,242</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(8,523)	(4,960)
Interest received		<u>5,487</u>	<u>8,200</u>
Net cash from/(used in) investing activities		<u>(3,036)</u>	<u>3,240</u>
Cash flows from financing activities			
Capital grants		<u>-</u>	<u>3,882</u>
Net cash from financing activities		<u>-</u>	<u>3,882</u>
Net increase/(decrease) in cash and cash equivalents		(69,493)	153,364
Cash and cash equivalents at the beginning of the financial year		<u>1,121,368</u>	<u>968,004</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>1,051,875</u></u>	<u><u>1,121,368</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Playgroup WA (Inc)
Statement of changes in equity
For the year ended 30 June 2018

	Capital reserve \$	Revaluatio n surplus reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2016	633,018	956,595	520,636	2,110,249
Surplus for the year	-	-	21,266	21,266
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	21,266	21,266
Balance at 30 June 2017	<u>633,018</u>	<u>956,595</u>	<u>541,902</u>	<u>2,131,515</u>
	Capital reserve \$	Revaluatio n surplus reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2017	633,018	956,595	541,902	2,131,515
Deficit for the year	-	-	(26,094)	(26,094)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(26,094)	(26,094)
Balance at 30 June 2018	<u>633,018</u>	<u>956,595</u>	<u>515,808</u>	<u>2,105,421</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), Western Australian legislation the Associations Incorporation Act 2015 and associated regulations, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Membership income is recognised when received at bank.

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.

Income tax

As the association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 1. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the association will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Playgroup WA recognises the imputation credits that arise from the receipt of dividends throughout the financial year, and dividends that are receivable at the reporting date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the association has transferred substantially all the risks and rewards of ownership.

Held-to-maturity investments

Held-to-maturity investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the association has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Held-to-maturity investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 1. Significant accounting policies (continued)

Impairment of financial assets

The association assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

Property, plant and equipment

Website and database improvements is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation for website and database improvements is calculated on a straight-line basis to write off the net cost over their expected useful lives of 2-5 years.

Land and buildings are shown at fair value, based on periodic valuations by external independent valuers, less subsequent depreciation and impairment for buildings. In August 2018, 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. The land and Buildings consist of two strata property Lots 4 and 5 at 1-3 Woodville Lane, North Perth. Management review the value of the properties for any impairments, and conduct a valuation, every three years, hence there is no depreciation calculated for properties.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Trade and other payables

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Comparative Figures

In previous financial years the Asgard Capital Management and Perpetual Cash Management funds had been presented as part of 'cash and cash equivalents' in the statement of cash flows. For the year ending 30 June 2018 the Asgard Capital Management and Perpetual Cash Management funds have presented as an investment in the statement of cash flows. As required by the accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 1. Significant accounting policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2018. The association's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the incorporated association, are set out below.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The incorporated association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the incorporated association.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 1. Significant accounting policies (continued)

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The incorporated association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the incorporated association.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations. The significant accounting requirements of AASB 1058 are as follows: Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.

Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer. The incorporated association will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the incorporated association.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Grants

	2018 \$	2017 \$
Department of Local Government and Communities	658,702	696,741
Department of Prime Minister and Cabinet	548,072	534,092
Playgroup Australia Ltd	704,224	603,809
Ngala Community Services, Swan Alliance	150,454	59,086
The Bump Mother Nature	-	177,410
Catholic Education Office of WA	9,091	9,091
RUAH Mental Health	23,526	23,759
Auspicing for PG's	14,009	4,829
	<u>2,108,078</u>	<u>2,108,817</u>

Note 4. Client contributions

	2018 \$	2017 \$
Memberships	<u>291,227</u>	<u>305,141</u>

Note 5. Investment income

	2018 \$	2017 \$
Interest	5,487	8,200
Earnings on investments	14,877	11,181
	<u>20,364</u>	<u>19,381</u>

Note 6. Program

	2018 \$	2017 \$
Workshop and program materials and consumables	54,003	84,502
Workshop and program expenses	8,587	4,511
Australian Baby Card / Kidzabuzz	14,182	16,364
Venue hire	10,056	11,985
Auspicing for PG expenses	13,945	4,829
Subcontracts	296,065	155,806
	<u>396,838</u>	<u>277,997</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 7. Administration

	2018 \$	2017 \$
General insurance	52,550	60,340
Telephone and internet	43,734	37,607
Printing, postage and stationery	26,870	28,159
Audit fees	8,500	9,500
Computer and office equipment repairs and maintenance	14,814	17,817
Subscriptions and memberships	3,579	3,143
AGM and board expenses	4,675	5,850
Bank charges	1,409	1,420
Software licencing	4,506	3,652
Other	1,207	2,169
	<u>161,844</u>	<u>169,657</u>

Note 8. Property

	2018 \$	2017 \$
Rates and taxes	9,529	8,741
Electricity	6,847	7,348
Rented premises	8,842	8,085
Cleaning	6,895	6,323
Strata fees	3,767	5,022
Repairs and maintenance - building	4,917	4,237
Other	2,171	1,516
	<u>42,968</u>	<u>41,272</u>

Note 9. Promotional expense

	2018 \$	2017 \$
Publication costs	9,453	10,716
Promotional materials	14,313	8,375
Promotional events	42,615	35,111
Promotional advertising	7,001	13,758
	<u>73,382</u>	<u>67,960</u>

Note 10. Current assets - cash and cash equivalents

	2018 \$	2017 \$
Cash on hand	1,993	2,783
Cash at bank	1,049,882	1,118,585
	<u>1,051,875</u>	<u>1,121,368</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 11. Current assets - trade and other receivables

	2018 \$	2017 \$
Trade receivables	3,498	20,942
Prepayments	22,332	28,765
Other receivables	3,750	1,995
	<u>29,580</u>	<u>51,702</u>

Note 12. Current assets - Investments

	2018 \$	2017 \$
Asgard capital management	136,897	124,589
Perpetual cash management fund	117,273	116,289
	<u>254,170</u>	<u>240,878</u>

Note 13. Non-current assets - Website and database improvements

	2018 \$	2017 \$
Website and database improvements	189,296	180,773
Less: Accumulated depreciation	(175,241)	(144,579)
	<u>14,055</u>	<u>36,194</u>

Note 14. Current liabilities - Payables

	2018 \$	2017 \$
Creditors	14,553	220,502
Employee benefits	275,384	261,478
Unspent grants	450,506	371,254
Other payables	80,570	37,453
	<u>821,013</u>	<u>890,687</u>

Note 15. Non-current liabilities - Non-current provisions

	2018 \$	2017 \$
Long service leave	<u>23,246</u>	<u>27,940</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 16. Equity - reserves

	2018 \$	2017 \$
Revaluation surplus reserve	956,595	956,595
Capital reserve	633,018	633,018
	<u>1,589,613</u>	<u>1,589,613</u>

Revaluation surplus reserve

This is a non cash asset revaluation reserve of land and buildings at 1 -3 Woodville Lane, NORTH PERTH, WA 6006.

Capital reserve

The capital reserve is an internally restricted reserve for the purpose of holding a reasonable amount of funds available for capital expenditure on office relocation or refurbishment as required.

Note 17. Equity - retained surpluses

	2018 \$	2017 \$
Retained surpluses at the beginning of the financial year	541,902	520,636
Surplus/(deficit) for the year	(26,094)	21,266
Retained surpluses at the end of the financial year	<u>515,808</u>	<u>541,902</u>

Note 18. Related party information

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
Elizabeth Cavalli	Member
Emma Tamplin	Member
Nicole Kerr (Resigned October 2017)	Member
Tracey Dembo	Member
Mel Guppy	Member
Mel Roberts	Member
Julie Kirby	Member
Emma Majstrovich (Joined May 2018)	Member
Shirley Kai (Joined May 2018)	Member

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.

Related party transactions

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

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2018

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the association:

	2018 \$	2017 \$
Audit services - Audit of the financial statements	<u>8,500</u>	<u>8,500</u>

Note 20. Events after the reporting period

On 27 June 2018, the association entered into a grant agreement with Lotterywest in receiving grant towards equipment, educational resources, portable furniture, toys and associated items for community playgroups of \$200,000 each year and administration cost of \$30,000 each year for the next three years.

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

Note 21. 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

Tel: 08 9228 8088 or 1800 171 882

Fax: 08 9228 3203 Web: www.playgroupwa.com.au

Office Hours: Monday to Friday, 9am to 4.30pm



Playgroup
WA (Inc)