



Playgroup
WA (Inc)

2018/19

ANNUAL REPORT





CONTENTS

President's Report 2019	04
CEO's Report 2019	05
Community Playgroups	06
Supporting Aboriginal Communities	10
Mother Baby Nurture	11
Regional Work	12
Events & Communications	13
Annual Membership Survey	14
Independent Audit Report /Financial Reports	17
Notes to and forming part of the Accounts	29



President's Report 2019

"If you never did you should. These things are fun, and fun is good"

Dr Seuss

It is exciting to see the fun that fills the pages of this Annual Report, just as it does when our playgroup families meet each week across Western Australia.

At this time each year, we have the joy of reflecting upon the year that was. As you read through this report, it is clear how the dedication and passion from the team at Playgroup WA allows us to fulfill our enduring commitment to support young children, families and communities in their playgroup experience.

Thousands of WA children and families come together every week and benefit from the playgroup experience. The enjoyment and connection; the growth and development from play; and the critical support network enabled through playgroup.

During the past year, the Board and staff have spent considerable time considering the future, strategic direction for Playgroup WA. We have considered the timeless realities and needs of children, families and communities within the context of new, modern challenges in parenting and life. We remain committed to our goals to provide exceptional support our current members whilst promoting and growing participation and access to playgroups within our communities. Additionally, we are exploring opportunities to leverage our strong relationships and reputation to provide even greater support to families with young children in Western Australia.

At the Board level, we have had a few changes this past year. Melissa Roberts resigned after almost 5 years, and Julie Kirby resigned after almost 8 years. Over this time both Melissa and Julie's contributions to the Board have been exceptional, taking on a number of extra roles, with Julie our most recent Treasurer. Emma Majstrovich also stepped down from the Board during the year. We thank Melissa, Julie and Emma for their time and commitment. The Board are currently recruiting for new members.

As always, I would like to conclude by saying thank you, on behalf of the Board, to David and the team for 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 fun-filled year ahead.

Leanne Gordon
President



CEO's Report 2019

This time last year I spoke about some of the ways that modern parenting has changed and the implications of those changes for community playgroups. Over the past year we have done much thinking and talking and exploration about the future of playgroups at the same time as continuing to provide support and deliver services.

We have engaged in some serious reflection and crystal ball gazing and come to some deceptively simple conclusions. The core aspirations of playgroup have always been to connect: children, families and communities through play. An understated outcome of those connections has been increasing family engagement with local services and information. We know that many playgroups actively work with local services and we know many services that work well with local playgroups. We also know that families learn from, support and inform each other.

It is no surprise to those who participate in or work with playgroups that a growing body of research over the past decade has consistently shown that children who go to playgroup are better prepared for school and that families that go to playgroup are more likely to access appropriate services and more likely to feel connected to their local communities.

We also know that these connections are largely based on relationships between people and the efforts of individual playgroups and individual service staff. As such these connections remain fragile and inconsistent, dependent as they are on individuals. As the awareness of place-based approaches continues to grow, we believe it is long past time that community playgroups were given the recognition they deserve as the largest volunteer activity involving families with young children. Playgroups also deserve more credit for the contribution they have made and the additional contributions they could make to help provide nurturing local environments for children and families in Western Australia.

As you read this report you will also see that amongst our deliberations, we have also had to keep doing all our day to day work of supporting playgroups, delivering supported playgroups, running our Mother Baby Nurture groups and promoting intergenerational activities. Our thanks to the agencies and Departments that entrust us with resources to undertake this work and the growing number of partners who are working with us to find creative and collaborative ways to support children and families.

To the staff and Board who have been juggling the now and the future I say thank you for your ongoing support and commitment.

David Zarb
CEO



Community Playgroups

Community playgroups, led and driven by families with young children, remain the largest group of playgroups in WA. They range in size from three or four families meeting once a week, to large groups with over 100 family members, offering multiple sessions per week. During 2018/19, 12406 families participated in community playgroups with over 1100 weekly sessions taking place. The character of playgroup is as varied as the families who participate.

Raising children in our modern world is both challenging and rewarding but made so much easier through the support of other families. Playgroups are a place where families can enjoy seeing their children learn through play and develop their social, emotional, cognitive and physical skills. Importantly they are also a place where children and families build lifetime friendships and benefit from vital peer support. This was evidenced in this year's member survey completed by over 700 respondents. 82.6% indicated they had built new friendships and stronger local connections; 72.5% indicated they had increased confidence in parenting and knowledge of child development as a result of participating in playgroup.

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 and Communities Program, and the WA 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. Almost all of our 178 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 community playgroups across the state, linking them with useful resources and supporting playgroups to provide welcoming playful environments for families to meet.

Intergenerational Activities Service

The Intergenerational Activities Service, through funding from the Department of Communities, continues to bring together seniors and families with young children together to interact through play at playgroups and events. These activities help to bridge the gap between generations, rebuilding a sense of community, understanding and respect for both older people and young families.

Playgroup WA partners with multiple aged care service providers, to support intergenerational playgroups operating in day centres, retirement villages and residential aged care facilities. Currently there are 12 groups operating. At an intergenerational playgroup, families work alongside the staff of the hosting aged care service to manage the playgroup. They tend to be small intimate playgroups, providing opportunity to develop genuine friendships and relationships across generations. Families without extended family particularly appreciate the opportunity for their children to develop relationships with community Elders.

Playgroup WA facilitates one Intergenerational Playgroup every six months in different sites around Perth. After six months we assist the group to become an independent community playgroup. In the last year Playgroup WA has facilitated Intergenerational playgroups at Aegis Shawford Lodge and Aegis Hilton Park. We have also partnered with Hilton Harvest and Bentley Community Gardens, the Perth Zoo and Alzheimer's WA to hold intergenerational community events.



"Having no family in Australia, I am particularly thankful that my son has the opportunity to meet and engage with grandparent-like figures at our Intergenerational Playgroup. These playgroups are a genius idea, benefiting all involved. 5 stars!"

Enhanced Transition to School Project

The ETTS Project is now in its fifth year and is part of a state-wide strategy to improve educational outcomes through enhanced school transition. This is achieved by strengthening relationships between playgroups and schools, including establishing and developing community-led playgroups on school sites, and providing evidence-informed information and resources to enhance home learning environments.

This year we have nearly 140 community-led playgroups in schools offering 190 playgroup sessions. In addition to establishing new playgroups in schools we have also assisted schools in transitioning school-run playgroups into community-led playgroups run by parents themselves. We continue to facilitate links between schools and local community playgroups. For instance, some schools are now providing book collections suitable for under 3-year olds at their school libraries for the local playgroup to access. Others are now inviting the local playgroup to special events at the school such as Book Week events and parent workshops.

The ETTS team has developed a range of play resources graded for babies, toddlers, 3-6-year olds, and for playgroups with multi-age groups, addressing different play types and developmental domains. We continue to promote and demonstrate these play activities during playgroup visits and events, and at professional conferences and through Playgroup WA's marketing channels. Our Play Ideas page is the most visited page on our website.

The ETTS project was initiated by the WA Steering Committee on Universal Access to Early Childhood Education and Care with funding from the Australian Government. It is delivered by Playgroup WA across the State school sector in partnership with the Department


of Education, the Department of Communities, the Association of Independent Schools, and Catholic Education WA.

We look forward to furthering our contractual partnership with the WA Department of Education into 2020 and beyond.

Lotterywest Grants

Playgroup WA with the support of a grant from the WA Government through Lotterywest is now able to offer financial support to community playgroups across the state. Funding of between \$500 and \$15,000 is available to support community playgroups to purchase toys, educational resources and portable equipment. Applications to Playgroup WA opened in August 2018 and the first grant approval occurred on 28 September 2018. Between September 2018 and June 2019, Playgroup WA received 42 grant applications, and awarded funding to the value of \$172,400.

Playgroup WA values the additional opportunity for engagement with community playgroups resulting from administering the Lotterywest Grant funding. Our Development Officers are able to work alongside each playgroup in developing their proposals, based on the specific child and adult needs, aspirations and context of the particular group.



"I've thoroughly enjoyed my playgroup time and have made some lifelong friends and felt supported by other mums"



Supported Playgroups

Playgroup WA operates several supported playgroups. The playgroups aim to provide opportunities for families that might experience barriers to community participation to engage in a regular playgroup program. Through these programs paid facilitators coordinate the playgroup activities including welcoming families and helping them to feel included and informed; planning and implementing culturally and developmentally appropriate activities and experiences; and linking families to other services and support in the local community including parenting and early intervention support.

PlayConnect Program

PlayConnect playgroups support families with children 0 to 6 years with autism or similar communication needs. The groups welcome families with a child with Autism Spectrum Disorder (ASD) or with needs related to Autism Spectrum (ASD), developmental delays in communication and social skills and/or behavioral and sensory issues. A formal diagnosis of ASD is not required in order for a family to attend a PlayConnect playgroup. Siblings aged 0-6 years and extended family are welcome to participate.

Play Connect playgroups are led by an experienced and skilled facilitator and provide flexible play opportunities tailored to the special needs of the children attending each group. An important aspect of the program is to build support and social networks between parents and caregivers. Through facilitated discussion, parents and carers are able to share stories, advice and information. PlayConnect facilitators also provide quality information about Autism support services and processes.

PlayConnect playgroups meet weekly in school terms for around two hours. In this past year Play Connect playgroups have been held at Whitfords, Forrestfield, South Lakes and Balcatta. In February

2019, the Balcatta group relocated to the Child and Parent Centre (CPC), Westminster. The CPC setting is a welcoming and inclusive environment for families, particularly for the many local families from culturally and linguistically diverse backgrounds .

PlayConnect is a component of the Australian Government's Helping Children with Autism Package(HCWA) via Playgroup Australia.

Multicultural Playgroup

Playgroup WA has received funding from the Swan Alliance since 2012 to facilitate a playgroup for multicultural families in the Ellenbrook and surrounding areas as part of the Department of Social Services' Communities for Children Midland program.

In the 2018-19 year 39 families with 52 children participated in the playgroup, welcoming families from 17 different cultures and nationalities including Indonesia, England, Colombia, Sudan, South Sudan, South Africa, Japan, Germany, India, Philippines, Singapore, Vietnam, Kuwait, Lebanon, USA, Kenya and Australia. 10 different languages other than English were reflected within the group. Over the last year the demographics of the group has continued to reflect trends within the broader Ellenbrook area with an increase in the number of families who have migrated to Australia from India.

The playgroup continued to support children's development in a range of areas including social and emotional skills, critical in helping children transition to school. Parents were able to increase their social connections within the local community with many providing feedback about the important role that the playgroup played in helping them to meet other families, make friends and to find out about other activities in the local area.

Supporting Aboriginal Communities

Playgroup WA continued to operate supported playgroups for Aboriginal families living in rural and remote Western Australia, including the four Wheatbelt locations of Quairading, Pingelly, Goomalling and York; the Ngaanyatjarra Lands communities of Warburton, Jameson, Blackstone, and Warakuna as well as a new site in Albany. The program was funded through the Department of Prime Minister's Indigenous Advancement Strategy (IAS) aimed at enhancing child development, school readiness and engagement with school, as well as enhancing the capacity of parents and other caregivers to support their children's learning and development. Another key element of the IAS program was to provide employment opportunities for local Aboriginal community members. Over the past year we have provided employment for 10 Aboriginal staff members in five communities.

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. Playgroups continued in the communities of Warburton, Blackstone and Jameson and Warakurna, connecting with over 100 families and their children.

The Wheatbelt

Partnerships with local schools in the Wheatbelt continued to support Playgroup WA to operate playgroups in communities across the Wheatbelt, including Quairading, Pingelly and Goomalling and York. In early 2019 the decision was made to close the groups in Quairading and Goomalling as numbers of eligible and available families in those communities had fallen significantly, as children transitioned to school and families moved away. Although small, the groups in Pingelly and the newly re-established group in York have continued to provide support to families in those settings providing much needed opportunities for play and social support for Aboriginal families.

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

Albany and Laverton

In 2019 Playgroup WA made the deliberate strategic decision to partner with Aboriginal Controlled Organisations in Albany and Laverton with a view to organisations directly delivering services in their own right in the future. In Albany we partnered with Great Southern Noongar Aboriginal Corporation and in Laverton we worked with local organisation, Pakaanu Corporation, to help support the establishment of a playgroup in those communities. Several visits were undertaken in the first half of 2019 to each community, meeting with stakeholders, recruiting staff and undertaking important co-design strategies. The playgroup in Albany commenced in May. The Laverton group was also scheduled to commence in May but had to be postponed until July 2019.

Aboriginal Play and Learning Network

Playgroup WA has continued to support the WA Aboriginal Play and Learning Network. The Network is inclusive of staff from a range of organisations including Aboriginal Community Controlled Organisations, health services, local government, schools and community organisations. The Network is aimed particularly at supporting staff, especially Aboriginal staff, working with families with children 0-5 years.



"Playgroup was my savior when moving to a small country town, such a valuable group for our community"



Mother Baby Nurture Groups

Playgroup WA continues to deliver perinatal and infant 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 group intervention for mothers and 0-6 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 mothers and their babies. MBN groups operate with two facilitators from different disciplines with specialised training in perinatal and infant mental health (and/or lived experience).

The group aims to enhance the mother-infant attachment relationship and provides a nurturing space for women to establish vital social connections to help reduce the sense of isolation. The wellbeing of participants is also supported through the provision of referrals and information about other local supports and services.

This year Playgroup WA delivered 20 groups across Ellenbrook, North Perth, Gosnells, Fremantle and Baldivis. Sixteen groups were funded by the North

Metropolitan Health Service. Four groups delivered in the Ellenbrook area were funded by the Swan Alliance; made up of Mission Australia, Ngala and Anglicare as part of the Department for Social Services Communities for Children. In response to community demand, more staff have been recruited, and undertaken the three-day training in preparation for another group to become established in Midland. This group is delivered in partnership with Midland Women's Health Care Place commencing July 2019.



Regional Work

The Playgroup WA Development team has continued to engage with regional communities across the state, supporting community playgroups including playgroups in schools, intergenerational play activities, supported playgroups for Aboriginal families. Playgroup WA has a strong presence in the South West of WA through its office in Bunbury, maintaining a comprehensive network of partnerships with community organisations and groups for the benefit of playgroups closed in January.

Regional Tours

Early in the year, Development staff visited many playgroups in the Wheatbelt and Peel regions including Waroona, Wongan Hills, Balidu, Pinjarra, Koorda, Beacon, Victoria Plains, Bakers Hill and Northam. In November the team spent a week in the Pilbara visiting the communities of Pannawonica, Dampier, Wickham, Hedland, South Hedland, and Cooke Point. These regional

tours included meeting with playgroups, playgroup committees, and local service providers such as Child Health Nurses, and school staff.

Unfortunately, for financial reasons, our office in the Great Southern was closed in January. Following this, the Development team visited the Great Southern region twice to ensure that local playgroups were supported in the wake of the closure of our Albany office.

In May, coinciding with National Families Week, the Development team spread themselves across the Great Southern, Lower Wheatbelt and Midwest. The team visited the communities of Corrigin, Lake King, Newdegate, Nyabing, Katanning, Northampton, Kalbarri and Denham visiting schools, participating in playgroup-hosted play days and providing governance support to committees.

June was a busy travel month with visits to the central Wheatbelt including Yealering, Wickepin, Woodanilling, Narrogin, and Wagin. The year finished with another visit to the Midwest, this time connecting with playgroups in Geraldton, Dongara, Waggrakine, Mingenew, Chapman Valley and Wandina. We were also pleased to attend the Midwest Early Years Network meeting to discuss Playgroup WA programs, resources and how we can best support local playgroups.





Events & Communications

Annual Fun Day

This year our annual member celebration was held on Tuesday 27 November 2018 at Mills Park in Beckenham. More than 3,000 families enjoyed the activities including sheep shearing, water play, baby zone, quiet zone, coloured rice play, fishing activity, sensory play, toddler sports activities and lots of playgroup fun. Thank you to SDERA (School Drug Education and Road Aware), Able to Play and the City of Gosnells for supporting this event, as well as the many community organisations who attended and provided activities and entertainment for the children.

World's Biggest Playgroup Day

Playgroup WA's flagship event – the World's Biggest Playgroup Day was held on Tuesday 26 March 2019 at Whiteman Park, with some 4,000 to 5,000 people attending. There was a raft of activities for children to enjoy including Brownes Dairy's milking demonstration, animal farm, Scitech, Out of the Box play activities, Jungle Sports, food trucks, face painting, bouncy castle, stage shows and more. Playgroup WA's interactive play hubs, designated baby areas and engaging activities provided by community organisations made this event a big hit

with families. Our survey results showed high satisfaction with the event. Families attended with children mostly aged 0 to 3 years, and they most enjoyed the animals, music, free giveaways, shade and the many different play activities to explore. Thank you to all who supported Playgroup WA's World's Biggest Playgroup Day.

Member Communications

Playgroup WA's communication had a strong focus on social media over the past 12 months. A highly engaged audience saw Playgroup WA's Facebook page reach almost 15,000 followers. Our monthly eNewsletter and solus emails are sent to a subscriber base of over 30,000 and Playgroup WA's blog continues to publish articles and stories from staff, playgroup members and third parties alike. Our Instagram following has also grown this year to more than 1000 followers.

Playgroup WA established a dedicated Committee Connect e-newsletter in July 2018 and Committee Facebook group in August 2018. The Committee Connect newsletter is sent to our community playgroup committee members and provides useful information to support playgroup operations and activities. The private Facebook group provides committee members with an opportunity to have discussions and share ideas.

Our mobile friendly website provides an interactive platform for Playgroup WA members and an information hub for the public. The most highly visited page is 'find a playgroup' with more than 1,000 searches per month



"Joining my local playgroup has made my life so much richer, I've got support and friendships with a group of women who are all in the same boat. My daughter has benefited so much from her interactions with other children and is developing a range of new skills"

Partnerships

Thank you to our partners, sponsors and advertisers for their continued support over the past year, enabling Playgroup WA to support and promote important messages to families with young children throughout Western Australia.

Playgroup WA are continuing to seek partnerships that are aligned with Playgroup WA's values and support the achievement of our strategic objectives.

Thank you

- Awesome Arts Festival
- Brownes Dairy
- Child Australia
- Department of Communities
- Department of Local Government, Sport and Cultural Industries
- Meerilinga
- Parenting Connection
- Perth Zoo
- Playgroup Australia
- Royal Life Saving Society WA
- Rottneet Express SDERA
- Seashells Resort
- St John Ambulance
- Telethon Speech & Hearing
- Whiteman Park

... and all our advertisers and event supporters

Annual Playgroup WA

Membership Survey key findings:

This year's October-run Membership Survey attracted over 700 respondents, providing Playgroup WA with valuable feedback on the benefits of playgroup and our service delivery.

Respondents agreed that they benefit from playgroup via:

82.6%

building new friendships and stronger local connections

72.5%

increased confidence in parenting

67.9%

spending special time and having fun with their children

98% agreed that their children benefit from attending playgroup, mainly via:

Development of social skills

Increased vocabulary

Imaginative & pretend play opportunities

Increased physical activity

Development of fine motor skills



Playgroup WA (Inc)

ABN 14 415 755 273

General Purpose Financial Report - 30 June 2019

Playgroup WA (Inc)
Contents
30 June 2019

Auditor's independence declaration	2
Independent auditor's report	3
Board's report	6
Board's declaration	7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of cash flows	10
Statement of changes in equity	11
Notes to the financial statements	12

General Information

The financial statements cover Playgroup WA (Inc) as an individual entity. The financial statements are presented in Australian dollars, which is Playgroup WA (Inc)'s functional and presentational currency.

Playgroup WA (Inc) is a not-for-profit incorporated association, incorporated and domiciled in Australia; its registered office and principal place of business is:

1-3 Woodville Lane, NORTH PERTH, WA 6006

The financial statements were authorised for issue on 26 September 2019.

AUSTRALIAN AUDIT

DIRECTORS:

ROBERT CAMPBELL CA, CPA, BSA, MAAW

VIRAL PATEL CA, CPA, FCCA (UK), BSA

ALASTAIR ABBOTT CA, BSA, MFORENSIC ACCOUNTING

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 2019, 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: 7 October 2019

AUSTRALIAN AUDIT

DIRECTORS:

ROBERT CAMPBELL CA, CPA, RCA, MIFW

VERAL PATEL CA, CPA, FCCA (UK), RCA

ALANNAH ABBOTT CA, RCA, RFPRENSHC ACCOUNTING

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 2019, 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 2019, 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: 7 October 2019

**Playgroup WA (Inc)
Boards' report
30 June 2019**

The Board presents the report on Playgroup WA (Inc) for the financial year ended 30 June 2019.

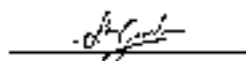
The Board have been in office since the start of the financial year to the date of this report unless otherwise stated.

The net loss of Playgroup WA (Inc) for the financial year ended 30 June 2019 amounted to (\$25,774).

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

During the period, Playgroup WA (Inc) applied the accounting policies described in note 3 to these financial statements.

On behalf of the Board



Board Member

26 September 2019



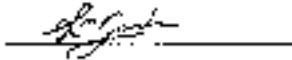
Board Member

Playgroup WA (Inc)
Boards' declaration
30 June 2019

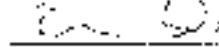
In the boards' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards – Reduced Disclosure Regime (former to the Associations Incorporation Act (WA) 2015 and associated regulations)
- the attached financial statements and notes give a true and fair view of the Association's financial position at 30 June 2019 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

26 September 2019

Playgroup WA (Inc)
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue			
Grants	3	2,133,440	2,108,078
Client contributions	4	265,897	291,227
Investment income	5	15,643	20,364
Other income		43,658	45,018
Total revenue		<u>2,458,638</u>	<u>2,464,687</u>
Expenses			
Employment		(1,791,547)	(1,785,087)
Program	6	(367,497)	(396,838)
Administration	7	(205,687)	(161,844)
Property	8	(40,131)	(42,968)
Promotional expense	9	(62,505)	(73,382)
Depreciation and amortisation expense		(8,045)	(30,662)
Total expenses		<u>(2,475,412)</u>	<u>(2,490,781)</u>
Deficit for the year	17	(16,774)	(26,094)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(16,774)</u></u>	<u><u>(26,094)</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 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	10	891,249	1,051,875
Trade and other receivables	11	28,609	29,580
Investments	12	263,960	254,170
Total current assets		<u>1,183,818</u>	<u>1,335,625</u>
Non-current assets			
Land and buildings		1,600,000	1,600,000
Website and database improvements	13	6,010	14,055
Total non-current assets		<u>1,606,010</u>	<u>1,614,055</u>
Total assets		<u>2,789,828</u>	<u>2,949,680</u>
Liabilities			
Current liabilities			
Payables	14	680,746	821,013
Total current liabilities		<u>680,746</u>	<u>821,013</u>
Non-current liabilities			
Non-current provisions	15	20,435	23,246
Total non-current liabilities		<u>20,435</u>	<u>23,246</u>
Total liabilities		<u>701,181</u>	<u>844,259</u>
Net assets		<u>2,088,647</u>	<u>2,105,421</u>
Equity			
Reserves	16	1,589,613	1,589,613
Retained surpluses	17	499,034	515,808
Total equity		<u>2,088,647</u>	<u>2,105,421</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 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,454,668	2,481,322
Payments to suppliers and employees (inclusive of GST)		<u>(2,620,235)</u>	<u>(2,547,779)</u>
Net cash used in operating activities		<u>(165,567)</u>	<u>(66,457)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		-	(8,523)
Interest received		<u>4,941</u>	<u>5,487</u>
Net cash from/(used in) investing activities		<u>4,941</u>	<u>(3,036)</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(160,626)	(69,493)
Cash and cash equivalents at the beginning of the financial year		<u>1,051,875</u>	<u>1,121,368</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>891,249</u></u>	<u><u>1,051,875</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 2019

	Capital reserve \$	Revaluation 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	633,018	956,595	515,808	2,105,421

	Capital reserve \$	Revaluation surplus reserve \$	Retained profits \$	Total equity \$
Balance at 1 July 2018	633,018	956,595	515,808	2,105,421
Deficit for the year	-	-	(16,774)	(16,774)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(16,774)	(16,774)
Balance at 30 June 2019	633,018	956,595	499,034	2,088,647

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 2019

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 financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, 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

The association recognises revenue as follows:

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 2019

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 allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The association has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

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.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

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. 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 2019

Note 1. Significant accounting policies (continued)

Impairment of financial assets

The association recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the association's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

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.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

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.

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.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

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.

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.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 1. Significant accounting policies (continued)

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.

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.

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 3. Grants

	2019 \$	2018 \$
Department of Local Government and Communities	551,431	658,702
Department of Prime Minister and Cabinet	541,039	548,072
Playgroup Australia Ltd	711,103	704,224
Ngala Community Services, Swan Alliance	83,707	150,454
Department of Local Government, Sport and Cultural Industries	40,000	-
Mental Health Commission	176,997	-
Catholic Education Office of WA	3,634	9,091
RUAH Mental Health	-	23,526
Lotterywest	25,029	-
Auspicing for PG's	500	14,009
	<u>2,133,440</u>	<u>2,108,078</u>

Lotterywest grants to Playgroups

For the period \$300,000 of funds were received for the disbursement of grants to Community playgroups across WA to purchase equipment, educational resources, portable furniture, toys and associated items plus \$30,000 towards the administration of these grants.

As at 30/6/2019 there remains \$138,109 of which \$100,000 is for year 2 (2019-20) in the bank account which comprises of \$133,138 to be disbursed for grants and \$4,972 for administration. Following the submission of an Evaluation/Progress Report for 2018-19 a further \$30,000 will be available for the Year 2 (2019-20) administration.

Note 4. Client contributions

	2019 \$	2018 \$
Memberships	<u>265,897</u>	<u>291,227</u>

Note 5. Investment income

	2019 \$	2018 \$
Interest	4,941	5,487
Earnings on Investments	<u>10,702</u>	<u>14,877</u>
	<u>15,643</u>	<u>20,364</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 6. Program

	2019 \$	2018 \$
Workshop and program materials and consumables	31,151	54,003
Workshop and program expenses	4,367	8,587
Member discount benefit	-	14,182
Venue hire	15,811	10,056
Auspicings for PG expenses	500	13,945
Subcontracts	315,668	296,065
	<u>367,497</u>	<u>396,838</u>

Note 7. Administration

	2019 \$	2018 \$
General insurance	43,097	52,550
Telephone and internet	42,718	43,734
Printing, postage and stationery	25,549	26,870
Audit fees	8,804	8,500
Computer and office equipment repairs and maintenance	9,694	14,814
Subscriptions and memberships	3,415	3,579
AGM and board expenses	5,159	4,675
Bank charges	1,116	1,409
Software licencing	5,276	4,506
Consultancy	23,275	-
Loss from cyberscam	30,427	-
Other	7,157	1,207
	<u>205,687</u>	<u>161,844</u>

Playgroup WA have strengthened internal controls following a one off loss resulting from a cyber- attack and fraud relating to one of our suppliers.

Note 8. Property

	2019 \$	2018 \$
Rates and taxes	9,917	9,529
Electricity	6,236	6,847
Rented premises	7,402	8,842
Cleaning	7,646	6,895
Strata fees	5,022	3,767
Repairs and maintenance - building	2,433	4,917
Other	1,475	2,171
	<u>40,131</u>	<u>42,968</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 9. Promotional expense

	2019 \$	2018 \$
Publication costs	1,258	9,453
Promotional materials	20,623	14,313
Promotional events	36,908	42,615
Promotional advertising	3,716	7,001
	<u>62,505</u>	<u>73,382</u>

Note 10. Current assets - cash and cash equivalents

	2019 \$	2018 \$
Cash on hand	3,305	1,993
Cash at bank	749,835	1,049,882
Cash at bank - restricted	138,109	-
	<u>891,249</u>	<u>1,051,875</u>

Refer to Note 3 for cash at bank - restricted.

Note 11. Current assets - trade and other receivables

	2019 \$	2018 \$
Trade receivables	1,200	3,498
Prepayments	23,586	22,332
Other receivables	3,823	3,750
	<u>28,609</u>	<u>29,580</u>

Note 12. Current assets - Investments

	2019 \$	2018 \$
Asgard capital management	145,415	136,897
Perpetual cash management fund	118,545	117,273
	<u>263,960</u>	<u>254,170</u>

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

	2019 \$	2018 \$
Website and database improvements	68,454	189,296
Less: Accumulated depreciation	(62,444)	(175,241)
	<u>6,010</u>	<u>14,055</u>

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 14. Current liabilities - Payables

	2019 \$	2018 \$
Creditors	17,490	14,553
Employee benefits	243,944	275,384
Unspent grants	345,628	450,506
Other payables	73,684	80,570
	<u>680,746</u>	<u>821,013</u>

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

	2019 \$	2018 \$
Long service leave	<u>20,435</u>	<u>23,246</u>

Note 16. Equity - reserves

	2019 \$	2018 \$
Revaluation surplus reserve	956,595	956,595
Capital reserve	<u>633,018</u>	<u>633,018</u>
	<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

	2019 \$	2018 \$
Retained surpluses at the beginning of the financial year	515,808	541,902
Deficit for the year	<u>(16,774)</u>	<u>(26,094)</u>
Retained surpluses at the end of the financial year	<u>499,034</u>	<u>515,808</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:

Playgroup WA (Inc)
Notes to the financial statements
30 June 2019

Note 18. Related party information (continued)

Leanne Gordon	President
Elizabeth Cavalli	Member
Emma Tamplin	Member
Tracey Dembo	Member
Mel Guppy	Member
Mel Roberts (resigned in October 2018)	Member
Julie Kirby (resigned in June 2019)	Member
Emma Majstrovich (resigned in May 2019)	Member
Shirley Kai	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.

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:

	2019 \$	2018 \$
Audit services -		
Audit of the financial statements	9,000	8,500

Note 20. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 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)