

Annual Report

Playgroup Tasmania Inc

ABN 42783652787

For the year ended 30 June 2018

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Income & Expenditure Statement

Playgroup Tasmania Inc
For the year ended 30 June 2018

	2018	2017
Revenue		
Grants Received	41,751	98,837
Mainstream funding	310,856	326,976
Fundraising and events	9,968	12,467
Membership Income	4,227	8,525
Hall & Toy hire	1,732	6,311
Other income	66,807	57,496
Total Revenue	435,341	510,612
Cost of Sales		
Purchases	31,597	73,847
Total Cost of Sales	31,597	73,847
Gross Profit	403,744	436,764
Expenses		
Motor Vehicle Expenses	6,730	8,279
Occupancy costs	32,376	37,089
Administration expenses	38,344	54,798
Staff costs	257,160	254,530
Other expenses		
Depreciation	13,487	16,547
Interest Expense	-	856
Total Other expenses	13,487	17,403
Total Expenses	348,098	372,099
Operating result for the year	55,646	64,665
Non-Operating Expenses		
Disposal of Fixed Assets	11,497	-
Disposal of Toy Library	75,025	-
Total Non-Operating Expenses	86,522	-
Net surplus/(deficit)	(30,877)	64,665

To be read in conjunction with the attached Auditor's Report.

Statement of financial position

Playgroup Tasmania Inc As at 30 June 2018

	30 JUN 2018	30 JUN 2017
Assets		
Current Assets		
Cash at Bank	146,619	153,954
Trade Debtors	29,786	631
Total Current Assets	176,406	154,585
Non-Current Assets		
Property, plant and equipment	359,620	407,011
Total Non-Current Assets	359,620	407,011
Total Assets	536,025	561,596
Liabilities		
Current Liabilities		
Trade Creditors	39,370	29,223
Funds Received in Advance	44,549	49,670
Burnie Playgroups Temporary	64	-
Total Current Liabilities	83,983	78,893
Non-Current Liabilities		
Provision - Employee Benefits	12,005	11,182
Loans	60,000	60,000
Total Non-Current Liabilities	72,005	71,182
Total Liabilities	155,988	150,075
Net Assets	380,037	411,521
Association funds		
Accumulated surplus/(deficit)	(36,249)	(5,372)
Reserves	416,286	416,894
Total Association funds	380,037	411,521

To be read in conjunction with the attached Auditor's Report.

Statement of Changes in Equity

Playgroup Tasmania Inc

For the year ended 30 June 2018

	2018	2017
Accumulated surplus/(deficit)		
Opening Balance	(5,373)	(70,038)
Increases/(Decreases)		
Total comprehensive income for the period	(30,877)	64,665
Total Increases/(Decreases)	(30,877)	64,665
Total Accumulated surplus/(deficit)	(36,249)	(5,373)
Asset revaluation reserve		
Opening Balance	415,755	365,755
Increases/(Decreases)		
Total comprehensive income for the period	-	50,000
Total Increases/(Decreases)	-	50,000
Total Asset revaluation reserve	415,755	415,755
Future Playgroups Reserve		
Opening Balance	1,139	1,139
Increases/(Decreases)		
Total comprehensive income for the period	(607)	-
Total Increases/(Decreases)	(607)	-
Total Future Playgroups Reserve	532	1,139

Statement of Cash Flows

Playgroup Tasmania Inc
For the year ended 30 June 2018

	2018	2017
Operating Activities		
Receipts From Grants	50,926	112,693
Receipts From Mainstream Funding	378,293	359,673
Cash Receipts From Other Operating Activities	78,029	45,323
Payments to Suppliers and Employees	(462,852)	(492,666)
Finance Costs	(374)	360
Net Cash Flows from Operating Activities	44,022	25,383
Investing Activities		
Proceeds From Sales of Property, Plant and Equipment	2,182	1,322
Payment for Property, Plant and Equipment	(53,538)	(7,267)
Net Cash Flows from Investing Activities	(51,356)	(5,945)
Net Cash Flows	(7,335)	19,438
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	153,954	134,516
Cash and cash equivalents at end of period	146,619	153,954
Net change in cash for period	(7,335)	19,438

Notes to the Financial Statements

Playgroup Tasmania Inc For the year ended 30 June 2018

1. CONSTITUTION

Playgroup Tasmania Inc. is a non profit organisation constituted under the Associations Incorporations Act (Tasmania) 1954 and registered as a charity with the Australian Charities and Not for Profits Commission. The association's registered office is located at Holbrook Street, Invermay. The association operates a service to play group centres..

2. STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Preparation

The committee has determined that it is not reasonable to expect the existence of users who are dependent on general purpose financial statements and that the association is therefore a non-reporting entity. The association has prepared special purpose financial statements in order to meet its reporting obligations under the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), the *Associations Incorporation Act (Tasmania) 1954* and its constitution. These special purpose financial statements have been prepared in accordance with the requirements of Division 60 of the ACNC Act and its associated regulations.

The following accounting standards have mandatory application and have been applied in the preparation of the financial statements:

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

The association has applied the recognition and measurement criteria of all other relevant accounting standards.

The financial statements, except for the Statement of cash flows, have been prepared on the accrual basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets. All amounts are presented in Australian dollars.

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

To be read in conjunction with the attached Auditor's Report.

(b) Employee Entitlements

Wages, Salaries and Annual Leave

The provisions for employee entitlements to wages, salaries and annual leave represents the amount which the association has a present obligation to pay resulting from employees' services provided up to balance date, the provisions have been calculated based on current wage and salary rates.

Long Service Leave

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date at current employee rates. Long service leave is provided for employees on a pro rata basis from date of employment

(c) Taxation

The Association is exempt from Income tax under Subdivision 50-5 of the Income Tax Assessment Act.

(d) Plant & Equipment

Items of plant and equipment are recorded at cost less, where applicable, any accumulated depreciation except as follows:

Land and Buildings have been revalued and recorded at valuation performed by Valuer General Tasmania, 11/07/2016

Items of property, plant and equipment excluding land and buildings are depreciated over their estimated useful lives. The reducing balance method of depreciation is applied to all assets being depreciated. Assets are being depreciated from the date of acquisition.

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

(e) Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Where a future service obligation exists, grants received are recognised as a deferred liability at balance date.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recovered from the ATO, in these circumstances, the GST is recognised as part of the acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(g) Going Concern

The financial report has been prepared on a going concern basis. In order to continue as a going concern the association is reliant on a grant funding contract in place with the Department of Social Services. The association is continuing to meet its obligations under this agreement and expects the funding to be maintained. Should this funding be reduced there may be insufficient income to maintain the recurrent operations and allow the association to continue as a going concern. It would therefore be unable to realise its assets and discharge its liabilities in the normal course of operations.

3. Asset Revaluation Reserve

The asset revaluation reserve holds the net increments arising on the revaluation of freehold property.

4. Membership

The association does not have membership equity. Members are required to pay an annual membership fee in order to hold membership in the association. Members are entitled to one vote each at general meetings of the association. Members are not entitled to receive any dividends or distributions from the association or to participate in any surplus on the winding up of the association.

6. Disposal of toy library

During the year the association disposed of its toy library through gifting.

Depreciation Schedule

Playgroup Tasmania Inc

For the year ended 30 June 2018

NAME	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Computer Equipment						
Computers- North	1,434	117	-	-	23	93
Computers- North	1,995	163	-	147	16	-
Laptop & software	12,778	9,882	-	-	1,976	7,905
Total Computer Equipment	16,207	10,162	-	147	2,016	7,999
Furniture & Fixtures						
Carpet	3,182	1,721	-	1,549	172	-
Carpet - New Offices Hobart	2,518	1,852	-	1,667	185	-
Hitachi Projector - North	2,555	1,381	-	-	138	1,243
LG Equipment (Telstra)	2,648	1,451	-	1,306	145	-
Total Furniture & Fixtures	10,903	6,405	-	4,521	640	1,243
Motor Vehicle at Cost						
Holden Astra	12,955	3,708	-	-	445	3,263
Holden Combo Van	12,265	4,592	-	4,427	165	-
Mitsubishi Express Van	17,131	5,341	-	4,877	464	-
Mitsubishi Express Van - North	17,131	5,174	-	-	621	4,553
Mitsubishi Toy Van- NW	17,131	5,341	-	5,149	191	-
Volkswagen Caddy Maxi Van F01YH	30,128	-	30,128	-	2,546	27,582
Volkswagen Caddy Maxi Van H09JF	30,792	-	30,792	-	1,033	29,760
Total Motor Vehicle at Cost	137,533	24,156	60,920	14,454	5,464	65,159
Plant & Equipment - State						
3 x 3 full colour Marquee	5,085	4,322	-	-	864	3,458
Filing Cabinet- State	209	185	-	-	5	180
HP Notebook- State	1,315	687	-	550	137	-
North West	13,052	408	-	-	82	326
Security Door- State	489	431	-	419	12	-
Shipping Container? Royal Wolf	2,182	2,018	-	1,880	138	-
Telephone Finance- State	1,676	670	-	-	134	536
Upgrade of Alarm System	800	-	800	-	84	716
Total Plant & Equipment - State	24,808	8,721	800	2,848	1,457	5,216
Toy Library - North						
Toy Library- North	43,253	35,579	-	33,785	1,794	-
Toy Library- North (added 2015/16FY)	13,975	12,578	-	11,943	634	-
Toy Library- North West	14,837	11,768	-	11,175	593	-
Toy Library -South	21,778	17,640	-	16,751	889	-
Total Toy Library - North	93,843	77,564	-	73,654	3,910	-
Total	283,294	127,007	61,720	95,624	13,487	79,616

Responsible Persons' Declaration

Playgroup Tasmania Inc

For the year ended 30 June 2018

The responsible persons' have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

The responsible persons declare that in the responsible persons' opinion:

1. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013 by:



Chairperson: Kathryn Fordyce

Independent auditor's report To the members of Playgroup Tasmania Inc

We have audited the accompanying financial report, being a special purpose financial report of Playgroup Tasmania Inc, which comprises the income and expenditure statement, the statement of financial position, statement of Changes in Equity and the statement of cash flows for the year ended 30 June 2018, notes comprising a summary of significant accounting policies and other explanatory information, Depreciation Schedule and Responsible Persons' Declaration.

The Committee of Management's responsibility for the financial report

The committee of management are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the financial reporting requirements of the Associations Incorporation Act (Tasmania) 1964 and the Australian Charities and Not-for-Profit Commission Act 2012 and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

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

Independence

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

Qualification

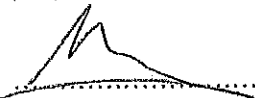
As is common for organisations of the type, it is not practicable for Playgroup Tasmania Inc to maintain an effective system of internal control over donations, subscriptions and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit in relation to such items was limited to amounts recorded.

Qualified Opinion

In our opinion, with the exception of the abovementioned qualification, the financial report presents fairly, in all material respects the financial position of Playgroup Tasmania Inc as at 30 June 2018 and of its financial performance for the year then ended and complies with Australian accounting standards to the extent described in Note 2.

Basis of accounting and restriction on distribution

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the committee's reporting responsibilities under the Associations Incorporation Act (Tasmania) 1964 and the Australian Charities and Not-for-Profit Commission Act 2012. As a result, the financial report may not be suitable for another purpose.



Michael Harvey
Certified Practising Accountant
Member No. 1478155
MDH Accounting Pty Ltd

Dated 8 October 2018