

Writing WA Inc

ABN: 18 190 386 787

GENERAL PURPOSE FINANCIAL REPORT - REDUCED DISCLOSURE REQUIREMENTS

For the Year Ended 31 December 2020

Writing WA Inc

ABN: 18 190 386 787

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For the Year Ended 31 December 2020

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DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, M.FORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMIA, BCOM

AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Directors of Writing WA Inc

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* and section 80 of the *Associations Incorporation Act 2015 (WA)*, in relation to our audit of the financial report of Writing WA Inc for the year ended 31 December 2020, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of the auditor independence requirements of the *Associations Incorporation Act 2015 (WA)* in relation to the audit; and
- c) No contraventions of any applicable code of professional conduct in relation to the audit



Robert John Campbell, CA CPA

Registered Company Auditor number 334773

Director

Australian Audit

Perth, Western Australia

Dated: 13 April 2021

DIRECTORS:

ROBERT CAMPBELL RCA, CA, CPA, MSW

VIRAL PATEL RCA, CA, CPA

ALASTAIR ABBOTT RCA, CA, M.FORENSIC ACCOUNTING

CHASSEY DAVIDS RCA, CA, AMIA, BCOM

INDEPENDENT AUDITOR'S REPORT

To the members of Writing WA Inc

Report on the Audit of the Financial Report Opinion

We have audited the financial report of Writing WA Inc (the Entity), which comprises the statement of financial position as at 31 December 2020, 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 of Directors.

In our opinion the accompanying financial report has been prepared in accordance with requirements of the *Associations Incorporation Act 2015 (WA)* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Entity's financial position as at 31 December 2020, and of its financial performance and its cash flows for the year then ended; and
- b) complying with Australian Accounting Standards, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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 Board of Directors for the Financial Report

Board of Directors is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Associations Incorporation Act 2015 (WA)* and the *ACNC Act*. The responsibility of Board also includes such internal control as Board determines it



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, Board 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 Board either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

The Directors 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 Board of Directors.
- 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 Board of Directors 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3) (b) of the ACNC Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the ACNC Act.

In our opinion, Writing WA Inc has complied with 60-30(3)(b), (c) and (d) of the *ACNC Act* and 82(1)(b), (c) and (d) of the *Associations Incorporation Act 2015 (WA)*:

- by providing us with all information, explanation and assistance necessary for the conduct of the audit;
- by keeping financial records sufficient to enable a financial report to be prepared and audited ; and
- by keeping other records required by Part 3-2 of the *ACNC Act*, including those records required by Section 50-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the entity.
- by keeping other records required by Part 5 of the *Associations Incorporation Act 2015 (WA)*, including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

Robert John Campbell, CA CPA

Registered Company Auditor number 334773

Director

Australian Audit

Perth, Western Australia

Dated: 15 April 2021

Writing WA Inc

ABN: 18 190 386 787

Board of Directors' Report

For the Year Ended 31 December 2020

The Board of Directors presents the report on Writing WA Inc for the financial year ended 31 December 2020.

The Board of Directors have been in office since the start of the financial year to the date of this report unless otherwise stated are as follows:

Guy Boyce		Chair
Holden Sheppard		Deputy Chair
Renato Sansalone		Treasurer
Catherine Noske		Secretary
Beth Herbert		Ordinary Board Member
Sue Henderson		Ordinary Board Member
Vivienne Glance	Elected April 2020	
Peter Jeffery	Elected April 2020	
Tineke van der Eecken	Retired April 2020	

The net surplus of Writing WA Inc for the financial year ended 31 December 2020 amounted to \$68,069.

A review of the operations of the association during the financial year and the results of those operations are as follows: The principal activity of the association during the financial year was support and development of writing as a cultural activity in Western Australia.

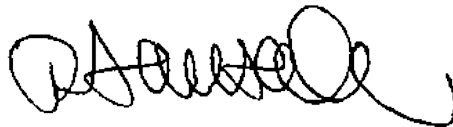
During the period, Writing WA Inc applied Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.



Name: Guy Boyce

Position: Chair

Date: 13/04/20



Name: Renato Sansalone

Position: Treasurer

Date: 13/04/20

Writing WA Inc

ABN: 18 190 386 787

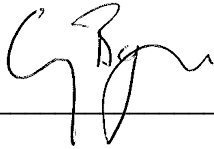
Statement by the Board of Directors

For the Year Ended 31 December 2020

In the opinion of the Board of Directors of Writing WA Inc:

- The financial report presents a true and fair view of the financial position of Writing WA Inc as at 31 December 2020, and its performance for the year ended on that date, in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- The operations of Writing WA Inc have been carried out in accordance with its constitution.
- At the date of this statement, there are reasonable grounds to believe that Writing WA Inc will be able to pay its debts as and when they fall due.

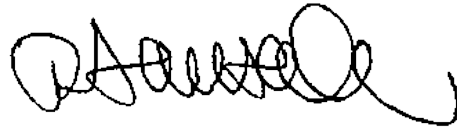
This statement is made in accordance with section 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and is signed for and on behalf of the Board of Directors by:



Name: Guy Boyce

Position: Chair

Date: 13/04/20



Name: Renato Sansalone

Position: Treasurer

Date: 13/04/20

Writing WA Inc

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2020

	Notes	2020	2019
		\$	\$
Grants and subsidies	2	228,353	388,552
Fees for service		13,460	-
Interest		2,627	5,598
Other	3	38,726	60,654
Public Fund - Donations	7a	500	12,470
COVID-19 Subsidies		86,460	-
Total revenue from operating activities		370,126	467,274
Employment		(183,101)	(191,094)
Project and program	4	(77,015)	(187,670)
Regional programs	5	(16,000)	(44,997)
Depreciation & amortisation		(6,588)	(3,294)
Other	6	(19,353)	(35,983)
Total expenses from operating activities		(302,057)	(463,038)
Surplus from operating activities		68,069	4,236
Other comprehensive income		-	-
Total comprehensive income		68,069	4,236

Writing WA Inc

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Statement of Financial Position

As at 31 December 2020

	Notes	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	7	689,294	301,226
Receivables	8	3,162	11,027
Total current assets		<u>692,456</u>	<u>312,253</u>
Non-current assets			
Intangibles	9	42,571	29,646
Total non-current assets		<u>42,571</u>	<u>29,646</u>
Total assets		<u>735,027</u>	<u>341,899</u>
Current liabilities			
Payables	10	32,165	18,065
Contract liabilities	11	315,685	2,026
Current provisions	12	55,517	55,117
Total current liabilities		<u>403,367</u>	<u>75,208</u>
Non-current liabilities			
Non-current Provisions		-	3,100
Total non-current liabilities		<u>-</u>	<u>3,100</u>
Total liabilities		<u>403,367</u>	<u>78,308</u>
Net assets		<u>331,660</u>	<u>263,591</u>
Equity			
Retained earnings		331,660	263,591
Total equity		<u>331,660</u>	<u>263,591</u>

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Statement of Changes in Equity

For the Year Ended 31 December 2020

	Retained earnings	Total
	\$	\$
Balance at 1 January 2019	259,355	259,355
Total comprehensive income for the 2019 year	4,236	4,236
Balance at 31 December 2019	263,591	263,591
Total comprehensive income for the 2020 year	68,069	68,069
Balance at 31 December 2020	331,660	331,660

Writing WA Inc

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Statement of Cash Flows

For the Year Ended 31 December 2020

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from operations		683,527	436,265
Payments to suppliers and employees		(278,573)	(443,923)
Net cash generated by (used in) operating activities	13	<u>404,954</u>	<u>(7,658)</u>
Cash flows from investing activities			
Acquisition of intangibles		(19,513)	(32,940)
Interest received		2,627	5,598
Net cash used in investing activities		<u>(16,886)</u>	<u>(27,342)</u>
Cash flows from financing activities			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>388,068</u>	<u>(35,000)</u>
Cash and cash equivalents at the beginning of the financial year		301,226	336,226
Cash and cash equivalents at the end of the financial year		<u>689,294</u>	<u>301,226</u>

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

1 Summary of significant accounting policies

Basis of Preparation

The financial statements are for Writing WA Inc as an individual entity and domiciled in Australia. Writing WA is incorporated under the Associations Incorporation Act (WA) 2015 and governed by the rules of its constitution.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Associations Incorporation Act 2015 and the Australian Charities and Not for profits Commission Act 2012.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Income Tax

Writing WA Inc is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

Writing WA operates a public fund known as the Writing WA Public Fund which has a deductible gift recipient status.

b. Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the incorporated association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the incorporated association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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Notes to the Financial Statements

For the Year Ended 31 December 2020

c. Revenue and other income

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Donations and bequests are recognised as revenue when received.

Donations received in relation to Public Fund are deposited to the Public fund trust account. A summary of donations received and amounts distributed to Writing WA operating account is given in note 7a. The balance remaining in the Public Fund is reflected in retained earnings of Writing WA.

Interest revenue is recognised using the effective interest rate 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.

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

d. Contract assets

Contract assets are recognised when the association has transferred goods or services to the customer but where the college is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

e. Contract liabilities

Contract liabilities represent the association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the association has transferred the goods or services to the customer.

f. Cash and cash equivalents

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

g. Trade and Other receivables

Other receivables are recognised at amortised cost, less any allowances for expected credit losses.

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Notes to the Financial Statements

For the Year Ended 31 December 2020

h. Property, plant and equipment

Plant and equipment 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 is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Office equipment	3-5 years
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i. Intangible assets

The association's website was revamped in the early 2019 and functional by July 2019 with an expected useful life over five years. Depreciation of 20% has been charged from that date on a straight line basis.

j. Leases

The application of AASB 16 Leases would require the Association to recognise a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Association leases office space at the State Library of Western Australia. The lease is currently on a month to month basis with future expectation for long term leases once the State Library obtains similar lease renewal from State Government of Western Australia. The lease is significantly below-market terms and conditions and is principally to enable the Association to further its objectives .

Under AASB 2018-8, Amendments to Australian Accounting Standards –Right-of-Use Assets of Not-for-Profit Entities, the Association has elected not to assess the fair value of the lease at this time.

k. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the association commits itself to either the purchase or sale of the asset (i.e. trade date accounting is

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

Financial liabilities

The association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the association comprise trade payables and other liabilities.

i. Trade and Other Payables

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

m. Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

n. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

o. Provisions

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

p. Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

Key estimates - impairment of property, plant and equipment

The association assesses impairment at the end of each reporting period by evaluating conditions specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. The association reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Website capitalisation and useful life estimation

The association assesses that the costs associated with its website should be capitalised because the website is identifiable, the website is controlled by the association, the website is capable of producing future economic benefits, through membership transactions and the receipt of donations, and the costs are measured reliably. The useful life of the website is estimated to be three years.

Key estimates - fair value of financial instruments

The association has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - employee benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The association expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows. The directors believes that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits but this will not have a material impact on the amounts recognised in respect of obligations for employee leave entitlements.

q, 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.

r. 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 association for the annual reporting period ended 31 December 2020. The association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

s. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
2 Grants and subsidies		
<i>Department of Local Government, Sport and Cultural Industries</i>		
Core funding	196,000	174,928
Regional projects	5,040	107,997
Strategic initiatives	-	39,947
City of Perth	3,000	-
Copyright Agency Limited	4,800	-
Lotterywest	19,513	65,680
	<u>228,353</u>	<u>388,552</u>
3 Other income		
Membership dues	14,441	10,150
Sponsorships	22,060	34,700
Miscellaneous	2,225	15,804
	<u>38,726</u>	<u>60,654</u>
4 Project and program		
Ubud Writers Festival in Perth	(16,924)	-
Writing WA Literary Lions Medal	(19,393)	(60)
Newsletter content and reviews	(17,542)	(16,285)
Mentoring and professional development	(6,602)	(6,964)
Love to Read Local Week	(12,831)	-
Quantam Words Festival	-	(87,599)
Confluence Festival - Mandurah	-	(64,334)
Author events and live events	(1,443)	(1,556)
International festivals	-	(9,692)
Conference attendance	-	(1,153)
Other	(2,280)	(27)
	<u>(77,015)</u>	<u>(187,670)</u>
5 Regional programs		
Regional writers festival	(16,000)	(44,997)
	<u>(16,000)</u>	<u>(44,997)</u>
6 Other expenses		
Communications	(6,335)	(8,262)
Insurance	(3,709)	(4,548)
Office costs	(2,844)	(8,234)
Audit fee	(1,000)	(4,820)
Marketing expenses	(4,962)	(9,264)
Legal and finance costs	(503)	(855)
	<u>(19,353)</u>	<u>(35,983)</u>
7 Cash and cash equivalents		
Cash at bank	668,005	279,937
Public fund	21,239	21,239
Cash on hand	50	50
	<u>689,294</u>	<u>301,226</u>

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

	2020	2019
	\$	\$
7a Public fund		
Opening balance	21,239	28,770
General donations	500	12,470
Sponsorships	7,500	-
less: Funds distributed to Writing WA operating account	(8,000)	(20,000)
Closing balance	<u>21,239</u>	<u>21,239</u>
8 Receivables		
Trade receivables	1,946	3,035
Prepayments	1,187	3,191
Accrued income	29	421
Other receivables	-	4,380
	<u>3,162</u>	<u>11,027</u>
9 Intangibles		
Website development	32,940	32,940
Less Accumulated amortisation - website development	(9,882)	(3,294)
Website development - work in progress	19,513	-
	<u>42,571</u>	<u>29,646</u>
10 Payables		
Creditors	25,572	3,306
Accrued expenses	6,593	14,759
	<u>32,165</u>	<u>18,065</u>
11 Contract liabilities		
DLGSC Regional Festival Funding	60,131	-
DLGSC Project Grant - Ubud Festival 2021	59,730	-
Australia Council Project Grant - QWP Festival	27,350	-
Lotterywest - Literary Map Grant	29,127	-
Lotterywest - Development Officer Pilot Position	139,347	-
Regional festivals	-	2,026
	<u>315,685</u>	<u>2,026</u>
12 Current provisions		
Employee leave provision	11,797	13,702
Long service leave provision	43,720	41,415
	<u>55,517</u>	<u>55,117</u>
13 Reconciliation to Cash Flows from Operations		
Net surplus for the period	68,069	4,236
Non-operating cash flows in net profit (loss)		
Depreciation and amortisation	6,588	3,294
Interest received	(2,627)	(5,598)
Change in Assets and Liabilities		
(Increase)/decrease in receivables	4,765	(7,433)
Increase/(decrease) in payables	327,759	(11,365)
Increase/(decrease) in provisions	400	9,208
Net cash generated by (used in) operating activities	<u>404,954</u>	<u>(7,658)</u>

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

2020	2019
\$	\$

14 Financial instruments disclosure

a) Interest rate risk

Writing WA Inc's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted interest rates on those financial assets and financial liabilities, is as follows:

Cash and cash equivalents earn interest at market rates which can fluctuate in a 12 month period. All other financial assets and liabilities are non interest bearing.

b) Credit risk

The maximum exposure to credit risk excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

Writing WA Inc does not have any material credit risk exposure to any single debtor or group of debtors, under financial instruments entered into by it.

c) Net fair values

The financial assets and financial liabilities included in current assets and current liabilities in the balance sheet are carried at amounts that approximate their net fair values.

Financial risk management

The association's financial instruments consist mainly of deposits with banks, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2020	2018
Financial assets	Note	\$	\$
Cash and cash equivalents	7	689,294	301,226
Receivables	8	1,946	3,035
		<u>691,240</u>	<u>304,261</u>
Financial liabilities			
Payables	10	32,165	18,065
		<u>32,165</u>	<u>18,065</u>

Financial Risk Management Policies

The association's Treasurer is responsible for, among other issues, monitoring and managing financial risk exposures of the association. The Treasurer monitors the association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held bi-monthly and minuted by the committee of management.

The Treasurer's overall risk management strategy seeks to ensure that the association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

15 Related party information

a) Members of the Board of Directors

The members of the Board of Directors who served for the whole of the financial year, unless otherwise indicated, are given in the board of directors report.

b) Compensation by category: Key personnel

The remuneration of the CEO is set by the Board of Directors. The average annual remuneration package including superannuation of 9.5% is given below:

	2020	2019
	\$	\$
Chief Executive's Remuneration	\$105,000 to \$115,000	\$105,000 to \$115,000

The CEO is entitled to annual leave, personal leave and long service leave entitlements.

c) Remuneration of the Board of Directors

The members of the Board of Directors do not receive nor are entitled to any remuneration or superannuation contribution.

d) Related party transactions

There were no related party transactions requiring disclosure during the financial year other than the one noted above.

16 Economic dependence

The association is dependent upon continued support from the Department of Local Government, Sport and Cultural Industries (the Department) for annual grants. A new grant agreement for the 2020-2022 triennium is now in place.

17 Segment information

Writing WA Inc operates predominantly in one business and geographic segment, being in support and development of writing as a cultural activity in Western Australia.

Writing WA Inc

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Notes to the Financial Statements

For the Year Ended 31 December 2020

18 Events after Reporting Period

There have been no events since 31 December 2020 that may have a material effect on the financial statements.

19 Writing WA Inc details

The principal place of business of Writing WA Inc is:

Ground Floor, Alexander Library Building, Perth Cultural Centre
Perth WA 6000