

Aboriginal Centre for the Performing Arts Pty Ltd

ABN 55 080 991 108

Financial Statements - 30 June 2023

Aboriginal Centre for the Performing Arts Pty Ltd
Directors' report
30 June 2023

The directors present their report, together with the financial statements, on the Company for the year ended 30 June 2023.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Leanne Bell	18 August 2021 Appointment expiring 17 August 2024
Cassandra Diamond	18 August 2021 Appointment expiring 17 August 2024
Cameron Costello	28 April 2022 Appointment expiring 27 April 2025
Selwyn Button	28 April 2022 Appointment expiring 27 April 2025

Objectives

Community Relationships

Build and nurture collaborative relationships with Aboriginal and Torres Strait Islander communities and organisations and their leaders to promote ACPA's capability as an education and training provider and as a pathway for improved cultural learning and expression.

Business Relationships

Promote and expand upon existing relationships with performing arts organisations and other businesses, such as the provision of contracted VET training and ACPA's capabilities as a performance partner.

Government Policy

Align ACPA with key First Nations government policy and legislation directions including Closing the Gap and Path to Treaty, and to enable ACPA to be exemplar in implementing Queensland Government policy Creative Together 2020-2023, Queensland Government Action Plan Grow 2022-2026, and the Arts Queensland Cultural Engagement Framework.

Strategy for achieving the objectives

- Advising the Board on culturally appropriate strategic market, service sector opportunities, and project and budget management of new initiatives as approved by the Board.
- Building and maintenance of the corporation's reputation as professional body through effective public relations, partner relationship development and community and media outreach programs.
- Building a culture of engagement and success through leadership and management, including staff development and training, compliance with Workplace Health & Safety and Equal Opportunity legislation and development of best practice productivity, industrial relations, and environmental initiatives.

Principal activities

- Engagement with schools.
- Engagement with communities.
- Engagement with Arts Queensland.
- Delivery of accredited training to meet core business objectives.
- Showcase performances with local, regional, National and International communities.

Aboriginal Centre for the Performing Arts Pty Ltd
Directors' report
30 June 2023

Performance measures

1. Create, develop and enable exciting opportunities and career pathways for First Nations people through the performing arts by:
 - Re-establishment of ongoing pipeline of students applying for accredited training; and
 - Graduate employment outcomes through:
 - Building reputational value for ACPA as a Performing Arts organisation.
 - Increasing ACPA's commercial performance opportunities.
 - Existing theatre companies engaging with ACPA to source performing arts talent.
 - Talent agents engaging with ACPA to source performing arts talent.
 - Government and non-government organisations engaging with ACPA artists for events.
2. Active and effective Indigenous engagement strategy.

Review of operations

During the financial year ended 30 June 2023, the Company received grants, subsidies, and other income of \$1,131,191 (2022: \$1,793,788). The operating loss for the year to 30 June 2023 was \$33,093 (2022: profit \$377,837) and net assets were \$427,323 (2022: \$460,416).

The Board confirms that all appropriate measures shall be made to ensure that the financial position of the Company is such that it is able, at all times, to honour both its present and future commitments. The directors of the Company believe that the Company will be able to pay its debts as and when they fall due. Refer to Note 21 Economic Dependency for further information.

Name:	Leanne Bell
Title:	Non-Executive Director
Qualifications:	B. Ed, DipEd.
Experience and expertise:	Management of vocational training programs in business, sport and recreation, creative industries, horticulture, training and assessment, agriculture and accounting. Development & implementation of Reconciliation Action Plan. Engagement and consultation with industry, Government, Aboriginal and Torres Strait Islander communities to develop educational and training programs that lead to employment outcomes.
Special responsibilities:	None

Aboriginal Centre for the Performing Arts Pty Ltd

Directors' report

30 June 2023

Name: Cassandra Diamond
Title: Non-Executive Director
Qualifications: B. Ed, (Hons) BA, Cert IV in Training and Assessment.
Experience and expertise: Expertise in co-design of projects and programs with Indigenous communities, including recruitment, retention and development of Indigenous staff, coaching, mentoring and stakeholder management. Experience focusing on working with Aboriginal and Torres Strait Islander people to achieve outcomes using a strength and evidence-based approach. Focus on shifting the narrative in relation to Aboriginal and Torres Strait Islander people from one of deficit and problems, to one that works with existing knowledge and skills. Ability to incorporate Indigenous knowledge into STEM and education and developing young and upcoming Aboriginal and Torres Strait Islander professionals in both STEM and education fields.
Special responsibilities: None

Name: Cameron Costello
Title: Non-Executive Director
Qualifications: BA, LLB, GradCert in Management, GradDip Legal Practice.
Experience and expertise: Lead First Nations consultant for business, Government and Not-For-Profit organisations in strategy and policy development, engagement, and Reconciliation Action Plans. Expertise in managing Tourism, Arts, Native Title, Protected Area Estate and Cultural Heritage organisations and projects. Formal legal background and member of UQ Law Advisory Board.
Special Responsibilities: None

Name: Selwyn Button
Title: Non-Executive Director
Qualifications: B. Teaching (Primary), Master of Public Administration, GradCert, Business Administration, Certificate in Governance for Not-For-Profits.
Experience and expertise: Partner at Price Waterhouse Coopers Indigenous Consulting. Leader in educational reform, social and health policy design, organisational capacity building, Indigenous Community negotiations and Community-based leadership.
Special Responsibilities: None

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

Full Board

	Number of Meetings Eligible to Attend	Number of Meetings Attended
Leanne Bell	10	8
Cassandra Diamond	10	10
Cameron Costello	10	10
Selwyn Button	10	10

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Aboriginal Centre for the Performing Arts Pty Ltd
Directors' report
30 June 2023

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors,

A handwritten signature in black ink, appearing to read 'Selwyn Button', written over a horizontal line.

Selwyn Button
Director and Chair of the Board

03 November 2023
Brisbane

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Aboriginal Centre for the Performing Arts Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Aboriginal Centre for the Performing Arts Pty Ltd for the financial year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Jacqueline Thornley
as delegate of the Auditor-General

3 November 2023

Queensland Audit Office
Brisbane

Aboriginal Centre for the Performing Arts Pty Ltd

Contents

30 June 2023

Statement of profit or loss and other comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11
Directors' declaration	21
Independent auditor's review report to the members of Aboriginal Centre for the Performing Arts Pty Ltd	22

General information

The financial report includes the financial statements and notes of the Aboriginal Centre for the Performing Arts Pty Ltd.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

The Company was incorporated in Queensland as a Company Limited by Shares and has share capital of \$2. The Company was incorporated on 24 December 1997 after receiving support from the Minister for the Arts. Under Clause 32 of the Constitution of the Company, in the event of a winding up or dissolution, any surplus assets remaining after payment of the Company's liabilities shall be transferred to some other organisation or organisations having objectives similar to the objectives of the Company, and whose rules shall prohibit the distribution of its income or assets among its members, such organisation or organisations being income tax exempt entities for the purposes of any Commonwealth taxation legislation

Its registered office and principal place of business are:

Principal place of business

Judith Wright Arts Centre
Level 2, 420 Brunswick Street
Fortitude Valley QLD 4006

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on XX October 2023. The directors have the power to amend and reissue the financial statements.

Aboriginal Centre for the Performing Arts Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$	
Income from continuing operations				
Government & grant income	3	811,940	826,527	
Cultural capability revenue		124,000	555,000	
VET income	4	87,296	363,526	
Performing arts income		84,494	25,971	
Other income	5	7,334	20,518	
Donations		-	120	
Interest revenue		16,127	2,126	
Total revenue from continuing operations		<u>1,131,191</u>	<u>1,793,788</u>	1
Expenses from continuing operations				
Depreciation	11	10,290	120,677	
Training delivery	6	237,969	573,436	
Supplies & services	7	89,075	37,662	
Staffing	8	532,941	406,066	
Administration	9	294,009	276,249	
Finance costs		-	1,861	
Total expenses from continuing operations		<u>1,164,284</u>	<u>1,415,951</u>	
(Loss)/Profit for the year		<u>(33,093)</u>	<u>377,837</u>	
Other comprehensive loss for the year		-	-	
Total comprehensive (loss)/profit for the year		<u>(33,093)</u>	<u>377,837</u>	

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

Aboriginal Centre for the Performing Arts Pty Ltd
Statement of financial position
As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents		450,116	487,147
Trade and other receivables	10	38,993	94,447
Prepayments		1,210	53,227
Total current assets		<u>490,319</u>	<u>634,821</u>
Non-current assets			
Property, plant and equipment	11	31,914	10,728
Prepayments		1,317	2,527
Total non-current assets		<u>33,231</u>	<u>13,255</u>
Total assets		<u>523,550</u>	<u>648,076</u>
Liabilities			
Current liabilities			
Trade and other payables	12	59,110	113,293
Employee benefits	13	37,117	26,367
Contract liabilities	14	-	48,000
Total current liabilities		<u>96,227</u>	<u>187,660</u>
Total liabilities		<u>96,227</u>	<u>187,660</u>
Net assets		<u>427,323</u>	<u>460,416</u>
Equity			
Issued capital		2	2
Retained earnings		427,321	460,414
Total equity		<u>427,323</u>	<u>460,416</u>

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

Aboriginal Centre for the Performing Arts Pty Ltd
Statement of changes in equity
For the year ended 30 June 2023

	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2021	2	82,577	82,579
Profit for the year	-	377,837	377,837
Other comprehensive income for the year	-	-	-
Total comprehensive profit for the year	-	377,837	377,837
Balance at 30 June 2022	2	460,414	460,416
	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2022	2	460,414	460,416
Loss for the year	-	(33,093)	(33,093)
Other comprehensive loss for the year	-	-	-
Total comprehensive loss for the year	-	(33,093)	(33,093)
Balance at 30 June 2023	2	427,321	427,323

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

Aboriginal Centre for the Performing Arts Pty Ltd
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers / Government		1,138,645	1,731,510
Payments to suppliers and employees		(1,144,200)	(1,510,518)
Interest paid		-	(351)
		<u> </u>	<u> </u>
Net cash from/(used in) operating activities		(5,555)	220,641
Cash flows from investing activities			
Proceeds from the sale of fixed assets		-	20,000
Payments for plant and equipment		(31,476)	-
		<u> </u>	<u> </u>
Net cash provided by/(used in) investing activities		(31,476)	20,000
Cash flows from financing activities			
Repayment of lease liabilities		-	(159,610)
		<u> </u>	<u> </u>
Net cash from/(used in) financing activities		-	(159,610)
Net increase/(decrease) in cash and cash equivalents		(37,031)	81,031
Cash and cash equivalents at the beginning of the financial year		487,147	406,116
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year		<u>450,116</u>	<u>487,147</u>

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

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

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

No new accounting pronouncements applicable for the first time in 2022-23 had a material impact on the Company.

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 the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Australian Charities and Not-for-profit Commission Regulation Regulations 2022 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

The Company was incorporated in Queensland as a Company Limited by Shares and has share capital of \$2. The Company was incorporated on 24 December 1997 after receiving support from the Minister for the Arts. Under Clause 32 of the Constitution of the Company, in the event of a winding up or dissolution, any surplus assets remaining after payment of the Company's liabilities shall be transferred to some other organisation or organisations having objectives similar to the objectives of the Company, and whose rules shall prohibit the distribution of its income or assets among its members, such organisation or organisations being income tax exempt entities for the purposes of any Commonwealth taxation legislation.

Underlying measurement basis

The financial statements are prepared on an accrual basis, with the exception of the statement of cash flows which is prepared on a cash basis. The historical cost convention is used as the measurement basis.

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 Company'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.

Presentation matters

Currency and rounding – Amounts included in the financial statements are in Australian dollars. Amounts are rounded to the nearest dollar.

Comparatives – Comparative information reflects the audited 2021-22 financial statements.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Government grants and subsidies

Grants and subsidies arise from transactions that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return).

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the company to transfer goods or services to a third-party on the grantor's behalf, the grant is accounted for under AASB 15 Revenue from Contracts with Customers. In this case, revenue is initially deferred as unearned revenue (contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant or donation is accounted for under AASB 1058 Income of Not-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding.

Contributions of assets received from the government and other parties are recognised at fair value on the date of transfer in the Statement of Financial Position, with a corresponding amount of revenue recognised in the Statement of profit or loss and other Comprehensive Income.

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies (continued)

VET subsidies

Revenue received under pre-qualified supplier arrangements with the Department of Youth Justice, Employment, Small Business and Training as a subsidy based on unit completions by ACPA students, is recognised when the subsidy claim is accepted by the Department which closely corresponds to the timing of satisfaction of the performance obligations.

Cultural capability revenue

Revenue from the rendering of services, being tuition specific to the Certificate IV in Indigenous Cultural Capability qualification, is recognised over the period in which the service relates. This results in revenue being recognised annually for terms 3 and 4 of the previous calendar year and terms 1 and 2 of the current calendar year.

Performing arts revenue

Revenue from services of commercial performance for the performing arts ranging from spoken word, dance, song, cultural fusion items.

Tuition fees

Revenue from the rendering of services, being tuition, is recognised over the period in which the service relates. This results in revenue being recognised annually for terms 3 and 4 of the previous calendar year and terms 1 and 2 of the current calendar year.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Volunteer services

The Company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

The Company's tax status has been determined with a Private Binding Ruling from The Australian Taxation Office. Prior to 1 July 2000 the Company was a not-for-profit public education organisation and was exempted from income tax under the provisions of Section 23(e) of the Income Tax assessment Act 1997. Changes to the Income Tax Assessment Act from 1 July 2000 required the Company to review this tax status. A Private Ruling from the Australian Taxation Office (rule file number 42006316, 7 August 2003) determined the Company was a charitable institution as its predominate purpose is the advancement of education, it exists for the public benefit and is a non-profit organisation. The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

The ATO also determined that the Company meets the special conditions specified in section 50-50 and section 50-52 of the Income Tax Assessment Act 1997 as a charitable institution and is exempt from income tax through endorsement by the Commissioner as an income tax exempt charity under subdivision 50-B of the Income Tax Assessment Act 1997 from 1 July 2000 (dated 21 May 2004).

The Private Ruling determined the Company is an entity entitled to a rebate on its fringe benefits tax payable as a public educational institution under paragraph 65J(1)(b) of the Fringe Benefits Tax Assessment Act 1986.

Current and non-current classification

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Company does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies (continued)

Expenses

Expenses are recognised upon utilisation of the service or at the date of their origin. Trade creditors of a material value are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured. Accrued expenses are goods and services received prior to the reporting date but have not been invoiced at year end.

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

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

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

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 over their expected useful lives as follows:

Training equipment	8 years
Laptops	3 years
Mobile phones	2 years
Other office equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Plant and equipment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

The capitalisation threshold for items of plant and equipment is \$1,000 net of GST.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company 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.

Contract liabilities

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

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Defined contribution superannuation expense

Employer contributions are based on rates specified under conditions of employment. Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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.

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.

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

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

Estimation of useful lives of assets

The Company 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.

Note 3. Government & grant income

	2023	2022
	\$	\$
Arts Queensland	440,940	505,932
Department of Youth Justice, Employment, Small Business and Training	371,000	320,595
	<u>811,940</u>	<u>826,527</u>

Revenue from Arts Queensland includes funding of \$440,940 (2022: \$505,392) that is recognised at a point in time when the associated performance obligations are satisfied (AASB 15).

Revenue from the Department of Youth Justice, Employment, Small Business and Training does not satisfy the criteria under AASB 15 hence it is recognised as revenue under AASB 1058 upon receipt when the Company obtains control over the funds.

Note 4. VET income

	2023	2022
	\$	\$
Department of Youth Justice, Employment, Small Business and Training VET subsidy	72,693	315,379
Student tuition fees	14,603	48,147
	<u>87,296</u>	<u>363,526</u>

Note 5. Other income

	2023	2022
	\$	\$
Other revenue	7,334	518
Gain on disposal	-	20,000
	<u>7,334</u>	<u>20,518</u>

Note 6. Training delivery

	2023	2022
	\$	\$
Contract trainers	14,171	120,967
Registered training organisation compliance	75,378	16,282
Teaching resources	3,619	333
VET running costs	144,801	435,178
Van running costs	-	676
	<u>237,969</u>	<u>573,436</u>

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 7. Supplies & services

	2023	2022
	\$	\$
Travel	2,073	3,540
Performance expenses	61,703	17,904
Marketing & development	13,123	16,218
Graduation expenses	3,288	-
School holiday workshop expenses	8,502	-
Venue & equipment hire	55	-
Student support	331	-
	<u>89,075</u>	<u>37,662</u>

Note 8. Staffing

	2023	2022
	\$	\$
Wages and salaries	442,962	352,694
Superannuation	46,416	34,475
Annual leave expenses	12,778	1,652
Long service leave expense	3,979	1,475
Employee Benefits Expense	<u>506,135</u>	<u>390,296</u>
Workcover	2,067	3,432
Recruitment & separation	20,738	11,439
Staff development & amenities	4,001	899
Other employment related expenses	<u>26,806</u>	<u>15,770</u>
Total Staffing Expenses	<u>532,941</u>	<u>406,066</u>

Note 9. Administration

	2023	2022
	\$	\$
Accounting & strategic review services	73,469	142,507
Bank fees	1,381	2,451
Consultancy	18,908	21,369
Doubtful and bad debts	1,825	10,219
Rent	98,105	4,168
Office supplies and services	52,009	49,417
Insurance	8,754	8,211
Legal and audit fees	22,550	22,000
COVID-19	-	41
Fringe benefits tax	12,187	15,866
Equipment lease	2,100	-
Repairs & maintenance training equipment	<u>2,721</u>	<u>-</u>
	<u>294,009</u>	<u>276,249</u>

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 10. Trade and other receivables

	2023	2022
	\$	\$
Trade receivable	20,167	67,288
Less: Provision for impairment	(10,000)	(10,000)
GST receivable	28,826	37,159
	<u>38,993</u>	<u>94,447</u>

Note 11. Property, plant and equipment

	2023	2022
	\$	\$
Office equipment - at cost	30,651	26,678
Less: Accumulated depreciation	(25,009)	(25,259)
	<u>5,643</u>	<u>1,419</u>
Computer hardware – at cost	45,908	21,684
Less: Accumulated depreciation	(22,621)	(16,979)
	<u>23,287</u>	<u>4,705</u>
Training equipment – at cost	51,900	49,770
Less: Accumulated depreciation	(48,916)	(45,166)
	<u>2,984</u>	<u>4,604</u>
	<u>31,914</u>	<u>10,728</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office furniture & equipment \$	Computer hardware \$	Training equipment \$	Total \$
Balance at 1 July 2022	1,419	4,705	4,604	10,728
Additions	5,122	24,224	2,130	31,476
Depreciation expense	(898)	(5,642)	(3,750)	(10,290)
Balance at 30 June 2023	<u>5,643</u>	<u>23,287</u>	<u>2,984</u>	<u>31,914</u>

Note 12. Trade and other payables

	2023	2022
	\$	\$
Trade payables	10,400	46,683
Corporate Credit Cards	3,776	1,112
Sundry payables and accrued expenses	400	1,057
Accrued expense - audit fees	24,805	46,200
Sundry Creditors	19,729	18,241
	<u>59,110</u>	<u>113,293</u>

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 13. Employee benefits

	2023	2022
	\$	\$
Superannuation Payable	-	6,007
Provision for annual leave	30,127	17,349
Provision for long service leave	6,990	3,011
	<u>37,117</u>	<u>26,367</u>

Note 14. Contract liabilities

	2023	2022
	\$	\$
Revenue received in advance	<u>-</u>	<u>48,000</u>

Note 15. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2023	2022
	\$	\$
Aggregate compensation	<u>102,176</u>	<u>-</u>

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the Queensland Audit Office, the auditor of the Company:

	2023	2022
	\$	\$
<i>Audit services – Queensland Audit Office</i>		
Audit of the financial statements	<u>22,550</u>	<u>22,000</u>

Note 17. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 18. Commitments

The Company had no commitments for expenditure as at 30 June 2023 and 30 June 2022.

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 19. Related party transactions

Key management personnel

Wesley Aird was the General Manager until the 14 August 2022. The role involved assisting with the running of day-to-day operations and reporting to the Board of Directors. PDMC Consulting was engaged to provide Sue Bruce as Interim General Manager from 26 August 2022. The Board with assistance from PDMC Consulting engaged KM Search Recruitment to conduct talent recruitment for new CEO.

Tracy Hart was appointed CEO effective of 07 November 2022. Tracy Hart holds a Masters of Tertiary Education Management, Advanced Diploma of Project Management and Bachelor of Adult and Vocational teaching degree with over 25 years of experience in Vocational Training inclusive of 10 years' experience in Senior Management roles.

Transactions with related parties

During the year, the Company made no payments to the Directors for attendance at Board or Committee meetings. No material payments were made to or on behalf of board members.

Wesley Aird operates consulting services through The Bridgewater Projects Pty Ltd. During the 2022-23 financial year, Wesley Aird invoiced the Aboriginal Centre for the Performing Arts Pty Ltd directly from The Bridgewater Projects Pty Ltd. The Bridgewater Projects Pty Ltd received \$8,798 (\$57,833 in 2022) from the Aboriginal Centre for the Performing Arts Pty Ltd, for consulting services in the form of management support activities.

Wesley Aird is a Director of Jabree Ltd, a not-for-profit Company that is the Registered Cultural Heritage body under the Aboriginal Cultural Heritage Act 2003 (Qld) for the Gold Coast region. Wesley Aird has no ownership interest in Jabree Ltd. During the 2022-23 financial year, Jabree Ltd received \$26,262 (\$80,214 in 2022) from the Aboriginal Centre for the Performing Arts Pty Ltd, for consulting management services performed by Jabree Ltd.

Wesley Aird is a Director of the Centre for Indigenous Policy Pty Ltd. During the 2022-23 financial year, \$114,625 (\$474,250 in 2022) was paid from the Aboriginal Centre for the Performing Arts Pty Ltd to the Centre for Indigenous Policy Pty Ltd for licencing fees of the Certificate IV in Cultural Capability. Wesley Aird has made the required disclosure to the Board of his position as a Director of the Centre for Indigenous Policy Pty Ltd.

The State of Queensland is the ultimate parent entity of the Company, administered through Arts Queensland. During the year the Company received \$440,940 (\$505,932 in 2022) in funding from Arts Queensland. Arts Queensland is a portfolio agency of the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (DTATSIPCA).

During the year the Company received \$443,693 (\$635,974 in 2022) in funding from the Department of Youth Justice, Employment, Small Business and Training (DYJESBT).

There were no other transactions with related parties during the current and previous financial year.

Loans to/from related parties

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

Note 20. Events after the reporting period

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Aboriginal Centre for the Performing Arts Pty Ltd
Notes to the financial statements
30 June 2023

Note 21. Economic Dependency

The Company is dependent on the Queensland State Government, through the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (DTATSIPCA) and the Department of Youth Justice, Employment, Small Business and Training (DYJESBT) for a significant volume of its operating revenue.

The Company has received a letter of support from DTATSIPCA. The letter indicates that DTATSIPCA shall take all appropriate measures to ensure that the financial position of the Company is such that it is able, at all times, to honour both its present and future commitments for the current financial year.

The Company has recorded a loss of \$33,093 in this year (profit \$377,837 in 2022). There are three main income sources for the Company.

The core business of ACPA is vocational and education training, which is funded through DYJESBT. The Company has a Skills Assured Supplier (SAS) executed agreement with the department. This is renewed each financial year, and the agreement has been renewed for the 2022-23 year.

DYJESBT also provides a State Contribution Grant Agreement every two years (\$320,595 received in September 2021). The 2023-24 State Contribution Grant Agreement of \$742,000 has been offered and accepted.

Arts Queensland (through DTATSIPCA) provides an annual funding agreement. Funding for the 2022-23 financial year has been agreed and executed and will conclude on 30 June 2023.

Based on prudent estimates of student enrolments, completions, and fees and on the above funding agreements, and detailed analysis of the cost of operations, the Directors can confirm that all appropriate measures have been made to ensure that the financial position of the Company is such that it is able, at all times, to honour both its present and future commitments.

Based on the above factors, the Directors of the Company believe that the Company will be able to pay its debts as and when they fall due and as such the financial statements have been prepared on a going concern basis.

Aboriginal Centre for the Performing Arts Pty Ltd
Directors' declaration
30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022.

On behalf of the directors



Selwyn Button
Director and Chair of the Board

03 November 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Aboriginal Centre for the Performing Arts Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Aboriginal Centre for the Performing Arts Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2022 and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises the statement of financial position as at 30 June 2023, 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, notes to the financial statements including material accounting policy information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report). At the date of this auditor's report, the available other information in the entity's annual report for the year ended 30 June 2023 was the directors' report.

The company's directors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2022 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the company'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 company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My 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 my 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 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company'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 company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company 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.

I communicate with the company's 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 I identify during my audit.



Jacqueline Thornley
as delegate of the Auditor-General

8 November 2023

Queensland Audit Office
Brisbane