

Aboriginal Centre for the Performing Arts Pty Ltd

ABN 55 080 991 108

Financial Statements

For the Year Ended 30 June 2021

Aboriginal Centre for the Performing Arts Pty Ltd

ABN 55 080 991 108

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For the Year Ended 30 June 2021

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Aboriginal Centre for the Performing Arts Pty Ltd

ABN 55 080 991 108

Directors' Report For the Year Ended 30 June 2021

The Directors of the Aboriginal Centre for the Performing Arts Pty Ltd (the Company) present their report together with the financial statements for the entity for the financial year ended 30 June 2021.

Directors Details

The following persons were directors of the Company during or since the end of the financial year.

Name	Appointment Date
Kyl Murphy	11 May 2018 Appointment expired 12 May 2021
Shaaron Boughen	11 May 2018 Appointment expired 12 May 2021
Thomas Webster	13 February 2019 Appointment expired 14 February 2022
Leanne Bell	17 August 2021 Appointment expiring 18 August 2024
Cassandra Diamond	17 August 2021 Appointment expiring 18 August 2024

Principal Activities

The principal continuing purpose of the Company is as a Registered Training Organisation to deliver accredited training to young indigenous and non-indigenous students in the performing arts. Accredited courses available are:

- Certificate II in Performing Arts
- Certificate IV in Performing Arts
- Certificate IV in Indigenous Cultural Capability*
- Diploma of Performing Arts
- Advanced Diploma of Performing Arts

*new ASQA accredited course in 2021

Directors meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

Name	Number of meetings eligible to attend	Number of meetings attended
Kyl Murphy	9	8
Shaaron Boughen	9	8
Tom Webster	9	9

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**Directors' Report
For the Year Ended 30 June 2021**

Review of Operations

During the financial year ended 30 June 2021, the Company received grants, subsidies and other income of \$1,134,731 (2020: \$1,029,651) The operating profit for the year to 30 June 2021 was \$114,633 (2020: \$91,734 loss) and net assets were \$82,579 (2020: \$32,054 net liabilities).

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 Going Concern for further information.

Signed in accordance with a resolution of the Board of Directors:



Director:
Leanne Bell or Cassandra Diamond

Dated this 31st day of May 2022

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Income from Continuing Operations			
Government & Grant Income	3	970,595	818,987
VET Income	4	78,903	133,367
Performing Arts Income		18,105	10,204
Interest		925	1,213
Other Income	5	66,203	65,880
Total Revenue from Continuing Operations		1,134,731	1,029,651
Expenses from Continuing Operations			
Depreciation		73,585	20,904
Training Delivery	6	188,710	171,089
Supplies & Services	7	58,208	105,225
Staffing	8	420,996	389,122
Administration	9	272,264	432,842
Finance costs	10	6,335	2,203
Total Expenses from Continuing Operations		1,020,098	1,121,385
Profit/(Loss) for the year		114,633	(91,734)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		114,633	(91,734)

The accompanying notes form part of these financial statements.

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Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		406,116	142,739
Trade and other receivables	11	4,169	28,976
Prepayments		9,397	8,640
TOTAL CURRENT ASSETS		419,682	180,355
NON-CURRENT ASSETS			
Property, plant and equipment	13	25,208	45,696
Right-of-use assets	12	106,197	-
Prepayments		3,738	4,948
TOTAL NON-CURRENT ASSETS		135,143	50,644
TOTAL ASSETS		554,825	230,999
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	285,635	236,795
Lease liabilities	12	159,610	-
Employee benefits	15	27,001	26,258
TOTAL CURRENT LIABILITIES		472,246	263,053
TOTAL LIABILITIES		472,246	263,053
NET ASSETS		82,579	(32,054)
EQUITY			
Issued capital		2	2
Retained earnings		82,577	(32,056)
TOTAL EQUITY		82,579	(32,054)

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2020	2	(32,056)	(32,054)
Profit for the year	-	114,633	114,633
Balance at 30 June 2021	2	82,577	82,579

2020

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2019	2	59,678	59,680
Loss for the year	-	(91,734)	(91,734)
Balance at 30 June 2020	2	(32,056)	(32,054)

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers / Government	1,250,870	1,060,363
Payments to suppliers and employees	(984,068)	(1,053,022)
Interest paid	(3,425)	-
Net cash provided by/(used in) operating activities	<u>263,377</u>	<u>7,341</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(2,485)
Net cash used in investing activities	<u>-</u>	<u>(2,485)</u>
Net increase/(decrease) in cash and cash equivalents held	263,377	4,856
Cash and cash equivalents at beginning of year	<u>142,739</u>	137,883
Cash and cash equivalents at end of financial year	<u><u>406,116</u></u>	<u><u>142,739</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2021

1 General Information and Statement of Compliance

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 - Reduced Disclosure Requirements 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 is a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements for the year ended 30 June 2021 were approved and authorised for issue by the Board of Directors on the 31st day of May 2022.

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.

2 Summary of Significant Accounting Policies

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally for the Company, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

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

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Specific revenue streams (continued)

Government grants and subsidies

Amounts arising from grants that fall within the scope of AASB 15 *Revenue from contracts with customers* are enforceable agreements with sufficiently specific performance obligations and are recognised as unearned income until such time as performance obligations have been met.

Amounts arising from grants in the scope of AASB 1058 *Income of Not-for-Profit Entities* are recognised at the asset's fair value when the asset is received. The Company considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

VET Subsidies

Revenue received under pre-qualified supplier arrangements with the Department of 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.

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.

(b) 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.

(c) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(c) Leases (continued)

lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected to apply the exceptions to lease accounting for short-term leases and leases of low value assets. For these leases, the Company recognises the payments associated with these leases as an expense on a straight line basis.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Depreciation Rates

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

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(d) Property, plant and equipment (continued)

Depreciation Rates (continued)

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Motor Vehicles	8 years
Training equipment	8 years
Laptops	3 years
Mobile phones	2 years
Other office equipment	5 years

Gains or losses arising on the disposal of assets are recognised within other income or other expenses.

(e) Impairment testing of plant and equipment

Recognised items of plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may no longer be recoverable.

An impairment loss is recognised for the amount by which the carrying amount of the item of plant and equipment exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use.

(f) 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.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies (continued)

(h) Employee benefits

Provision is made for the Company'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of a present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the likelihood of an outflow of resources is remote, in which case no liability is recognised.

(j) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

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Notes to the Financial Statements For the Year Ended 30 June 2021

3 Government and Grant Income

	2021	2020
	\$	\$
Arts Queensland	650,000	507,571
Qld Department of Employment, Small Business and Training	320,595	311,416
	<u>970,595</u>	<u>818,987</u>

Revenue from Arts Queensland includes grant income of \$350,000 (2020: \$350,000) that is recognised at a point in time when the associated performance obligations are satisfied (AASB 15).

Revenue from Arts Queensland also includes non-recurrent funding of \$300,000 (2020: \$100,000 short-term funding) which does not satisfy the criteria under AASB 15 hence is recognised as revenue under AASB 1058 upon receipt when the Company obtains control over the funds.

Revenue from Qld Department of 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.

4 VET Income

	2021	2020
	\$	\$
DESBT VET Subsidy	63,400	82,012
Student Tuition Fees	15,503	51,355
	<u>78,903</u>	<u>133,367</u>

5 Other Income

	2021	2020
	\$	\$
Other Income		
- ATO Cash Flow Boost	30,617	51,028
- Other revenue	35,586	14,852
	<u>66,203</u>	<u>65,880</u>

6 Training Delivery

	2021	2020
	\$	\$
Contract Trainers	161,691	160,898
Registered Training Organisation compliance	3,724	7,575
Teaching Resources	23,295	2,616
	<u>188,710</u>	<u>171,089</u>

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Notes to the Financial Statements For the Year Ended 30 June 2021

7 Supplies & Services

	2021	2020
	\$	\$
Travel	3,042	1,185
Performance expenses	23,783	29,454
Marketing & Development	31,383	74,586
	<u>58,208</u>	<u>105,225</u>

8 Staffing

	2021	2020
	\$	\$
Wages and salaries	371,669	329,725
Superannuation	34,375	31,909
Annual leave expense	(895)	8,307
Long service leave expense	945	592
Employee benefits expense	<u>406,094</u>	<u>370,533</u>
WorkCover	2,378	2,526
Recruitment & separations	10,636	14,623
Staff development & amenities	1,888	1,440
Other employment related expenses	<u>14,902</u>	<u>18,589</u>
Total staffing expenses	<u>420,996</u>	<u>389,122</u>

9 Administration

	2021	2020
	\$	\$
Accounting & Strategic Review services	172,923	227,261
Bank fees	353	1,244
Consultancy	12,058	40,352
Doubtful and bad debts	10,900	-
Rent	-	60,423
Office supplies and services	47,528	41,291
Insurance	7,447	13,189
Legal and audit fees	21,000	40,629
COVID-19	55	504
Fringe benefits tax	-	7,949
	<u>272,264</u>	<u>432,842</u>

10 Interest expense

	2021	2020
	\$	\$
Leases	2,910	-
Other	3,425	2,203
	<u>6,335</u>	<u>2,203</u>

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Notes to the Financial Statements For the Year Ended 30 June 2021

11 Trade and other receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	14,169	14,145
Provision for impairment	(10,000)	-
Accrued income - ATO Cashflow Boost	-	10,206
Other receivables	-	4,625
	<u>4,169</u>	<u>28,976</u>

12 Leases

The Company has leases over a range of assets including office premises and office equipment including a photocopier.

Spaces 2A, 3M, 4C, 4D, 4G, Music Rehearsal Room and office premises

The Company leases spaces located at Judith Wright Centre 420 Brunswick Street for its office premise and spaces to carry out its principal activities.

The Company entered in to a lease of premises in the building know as Lease 2A, 3M, 4C, 4D and the Music Reheasal Room. The lease commenced on 1 January 2021 and will expire on 30 June 2022. The license agreement for use of part of level 4 of the building shown as Lease 4G commenced on 27 January 2021 and will expire on 24 June 2022. No option is included in the leases.

AASB16 applies to these lease and license arrangements. The lessee's incremental borrowing rate applied to the lease liability for the premises was 3.65%.

a) Right-of-use assets

	Buildings	Total
Year ended 30 June 2021		
Additions during the year	159,295	159,295
Depreciation	(53,098)	(53,098)
Balance at end of year	<u>106,197</u>	<u>106,197</u>

b) Lease liabilities

	2021	2020
	\$	\$
Lease liabilities		
Current	159,610	-
Non-current	-	-
Total lease liabilities	<u>159,610</u>	<u>-</u>

c) Lease impact in the statement of profit and loss and other comprehensive income

Leases of office equipment include a photocopier with a lease term of 5 years and monthly lease payments. The lease has both a fixed component and a variable component based on the number of photocopies made during the year. As the lease is assessed by the Company as a low-value asset, both the variable and fixed components are recognised

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Notes to the Financial Statements For the Year Ended 30 June 2021

12 Leases (continued)

as an expense in the respective year and does not form part of the lease liability.

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2021	2020
	\$	\$
Interest expense on lease liabilities	2,910	-
Expenses relating to short-term and low-value leases	2,100	-
Depreciation of right-of-use assets	53,098	-
	<u>58,108</u>	<u>-</u>

d) Lease impact in the statement of cash flows

No repayment of leases occur until post 30 June 2021. The statement of cash flow records no cash outflow into leases entered during the year except for low value and short-term leases (included in Payments to suppliers and employees).

13 Property, plant and equipment

	2021	2020
	\$	\$
Motor vehicles		
At cost	43,494	43,494
Accumulated depreciation	(43,268)	(37,831)
	<u>226</u>	<u>5,663</u>
Office equipment		
At cost	26,678	29,288
Accumulated depreciation	(19,130)	(14,814)
	<u>7,548</u>	<u>14,474</u>
Computer hardware		
At cost	21,684	21,684
Accumulated depreciation	(12,642)	(8,305)
	<u>9,042</u>	<u>13,379</u>
Teaching equipment		
At cost	49,770	49,770
Accumulated depreciation	(41,378)	(37,590)
	<u>8,392</u>	<u>12,180</u>
	<u>25,208</u>	<u>45,696</u>

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Notes to the Financial Statements For the Year Ended 30 June 2021

13 Property, plant and equipment (continued) (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles	Office Furniture & Equipment	Computer Hardware	Teaching equipment	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2021					
Balance at the beginning of year	5,662	14,474	13,379	12,180	45,695
Additions	-	-	-	-	-
Disposals					
Depreciation	(5,436)	(6,926)	(4,337)	(3,788)	(20,487)
Balance at the end of the year	226	7,548	9,042	8,392	25,208

14 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	145,258	157,866
Corporate Credit Cards	2,501	-
Sundry payables and accrued expenses	19,939	9,108
Accrued expense - audit fees	38,500	15,000
ATO Integrated Client Account	60,922	54,821
Sundry creditors	18,515	-
	285,635	236,795

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

15 Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Superannuation payable	9,766	9,073
Provision for annual leave	15,698	16,593
Provision for long service leave	1,537	592
	27,001	26,258

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Notes to the Financial Statements For the Year Ended 30 June 2021

16 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2021 (30 June 2020:None).

17 Capital Commitments

The Company did not have any capital commitments at 30 June 2021 (30 June 2020:None).

18 Audit Fees

The accrued audit fee for 2021 is \$20,000 (2020: \$15,000). The total accrued audit fee in Note 14 includes audit fee for 2020 of \$16,500 that was invoiced by Queensland Audit Office on 15 November 2021.

19 Post-Reporting Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

20 Key Management Personnel and Related Party Disclosures

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 was the General Manager for the full 2021 financial year. The role involved assisting with the running of day-to-day operations and reporting to the Board of Directors.

Wesley Aird operates consulting services through The Bridgewater Projects Pty Ltd. For the full 2021 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 \$85,057 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 2021 Financial Year, Jabree Ltd received \$90,599 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 this financial year \$23,100 was paid from the Aboriginal Centre for the Performing Arts Pty Ltd to the Centre for Indigenous Policy Pty Ltd. The majority of this amount was a contribution towards the costs of developing the Certificate IV in Indigenous Cultural Capability and for the Aboriginal Centre for the Performing Arts Pty Ltd to secure the exclusive licence to sell the course. 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 \$650,000 (\$507,571 in 2020) in funding from Arts Queensland. Arts Queensland is a portfolio agency of the Department of Communities, Housing, and Digital Economy.

During the year the Company received \$383,995 (\$393,428 in 2020) in funding from the Department of Employment, Small Business and Training (DESBT).

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Notes to the Financial Statements For the Year Ended 30 June 2021

21 Going Concern

The Company has recorded a profit of \$114,633 in this year and a loss in the previous financial year. There are three main income sources for the Company.

The core business of vocation and educational training is on a calendar year from DESBT who negotiates supplier agreements on a single financial year basis. This has been confirmed for the 2021-22 financial year.

DESBT also provides a State Contribution Grant each year (\$320,595 received in October 2020).

The agreement with Arts Queensland (through the Department of Communities, Housing, and Digital Economy) has been renewed and now concludes in June 2022. The Company is working closely with Arts Queensland to secure funding for future years.

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. Further, the Company has undertaken a long term strategic review to guarantee the longevity of the organisation.

The Company has received a letter of support from the Department of Communities, Housing and Digital Economy (DCHDE). The letter indicates that DCHDE shall take all appropriate measures to ensure that the financial position of the Company is such that it is able to, at all times, to honour both its present and future commitments. The letter covers a period of 12 months from the time the 2019-2020 financial statements were signed (13 October 2021).

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

ABN 55 080 991 108

Directors' Declaration

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

- 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
- the financial statements and notes satisfy the requirements of Australian Accounting Standards - Reduced Disclosure Requirements and 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*.

Director



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Leanne Bell or Cassandra Diamond

Dated the 31st day of May 2022

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 2021, 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 2013 and Australian Accounting Standards - Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2021, 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 summaries of significant accounting policies and other explanatory 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 2021 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 2013 and Australian Accounting Standards - Reduced Disclosure Requirements, 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 - Reduced Disclosure Requirements, 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 accounting policies 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.



Carolyn Dougherty
as delegate of the Auditor-General

6 June 2022

Queensland Audit Office
Brisbane