



GEELONG
PERFORMING
ARTS CENTRE
TRUST

ANNUAL REPORT
2018 - 2019

WHERE CREATIVITY MEETS

geelong
arts
centre



Front cover, inside covers and back cover - image courtesy of HASSELL Studio.

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CHAIR'S WELCOME



Lesley Alway Chair of the
Geelong Performing Arts
Centre Trust.

On behalf of my fellow Trustees of the Geelong Performing Arts Centre Trust, I am pleased to welcome you to our Annual Report that reviews our performance for 2018-19. We are committed to delivering outstanding programs and facilities for the Geelong community, surrounding regions and beyond, providing opportunities for local, national and international artists to develop and present their work in this very special city and space.

Over the last 12 months the Trust has been focused on ensuring high quality governance, financial performance and stewardship of our facilities. We acknowledge the inspiring leadership of our CEO, Joel McGuinness and the support of Geelong Arts Centre's talented and dedicated team in delivering outstanding artistic and operational results during a year of great challenges and disruption, due to organisational changes and the ongoing building redevelopment. There have been many highlights including the extraordinary productions of *The Bleeding Tree*, *Sense and Sensibility*, *The Season* and *Bennelong* as part of the Deakin University 2018 and 2019 Theatre Seasons.

Operationally, Geelong Arts Centre achieved a positive financial result. This was in part made possible through grant income for the Ryrie Street Redevelopment, an increase in our operating funding from the Victorian Government from 1 July 2018, a focus on operating as efficiently as possible and the timing of some funding for projects yet to be completed. Geelong Arts Centre is committed to ensuring it operates prudently and sustainably with the aim of building some reserves for the future whilst taking necessary artistic risks to support local talent that challenges and excites our audiences. We acknowledge that this is often a fine balance but pushing the bounds of creativity is what makes participation in the arts so worthwhile for both artists and audiences.

The ongoing and future building redevelopment program is simultaneously exciting and demanding for much of the Trust's attention. We acknowledge the support and partnership of Creative Victoria, Regional Development Victoria and Development Victoria in this extensive program of new infrastructure. The Ryrie Street Redevelopment will provide new facilities for visitors, performers and the Creative Industries sector and is now on track to open later this year with extensive planning already underway for the Little Malop Street Redevelopment. We are most grateful to the State Government for their very generous commitment of \$128 million towards this project in the 2019/20 State Budget and particularly acknowledge the ongoing support of the Premier, the Hon Daniel Andrews MP and Minister for Creative Industries, Martin Foley MP.

The Trust has also been engaged in developing a new Strategic Plan to align the organisation with the evolving needs and opportunities of the Geelong region in terms of both local and destination audiences, new technologies and partnerships as well as the significant new opportunities that will be provided by our new facilities. We are also ensuring that our plans support the Victorian Government Creative State policy priorities and that we contribute to the opportunities provided by Geelong's designation as a UNESCO City of Design and City of Greater Geelong's vision for Geelong as a Creative City.

A special thank you to all our partners and supporters for your contributions and commitment over the last twelve months. We were thrilled to welcome and acknowledge many of you who attended our very special Amor event last August. I would like to thank my fellow Trust members, Sue Clark, Robert Costa, Kirsten Kilpatrick, Geoff Saunders, Cate Steains, Margot Smith, Geoff Street (Deputy Chair), and Peter Tullin for contributing their support and expertise. Much of the Trust's work is also undertaken through their hard work on various Trust subcommittees detailed later in the report. Thank you also to Mr Michael Carroll who has contributed his time and expertise as an external member of the Audit and Risk sub-committee. It is my pleasure to present the 2018-2019 Annual Report and we look forward to your continued interest and support as we deliver our vision to maintain and enhance the role of Geelong Arts Centre at the creative heart of Geelong and the region.

A handwritten signature in blue ink that reads "L Alway".

Lesley Alway | Chair
Geelong Performing Arts Centre Trust

CHIEF EXECUTIVE OFFICER'S REPORT



Joel McGuinness
Chief Executive Officer of
Geelong Arts Centre.

This last year has been rewarding and challenging. With so much change happening in and around our organisation, we have had to keep adapting to shifts, manage the challenges of operating more than 400 events across the year and all the while staying focused on our loyal customers and amazing artists. I am incredibly proud of the fantastic team of staff, our Trust and all of our stakeholders who are able to keep focused on the bigger picture as we develop as an organisation and get ready to open the Ryrie Street Redevelopment late in 2019.

As I settle in and get to know more people in our community, I am excited about what is next for not only Geelong Arts Centre, but also for what is evolving for Geelong and the region. There is so much talent, so many optimistic and capable people, organisations and ideas and I feel that the investment in Geelong from the State and Federal governments, investors and residents is testament to the confidence of the region. Geelong is truly growing into a Clever and Creative City and celebrating the power of culture, creativity and innovation to shape the place in which we live. We also are excited by the possibilities that surround us with the City of Greater Geelong's designation as a UNESCO International City of Design. Our organisation is committed to this vision and the exciting possibilities for collaboration and growth as this designation comes to life and we will work with all partners to ensure that we have a clear plan of action. We look forward to Geelong Arts Centre being part of delivering some truly remarkable outcomes for design and design thinking.

During construction, we have still managed to welcome **183,142** guests to Geelong Arts Centre, as ticket buyers and performers, in our café and in our spaces. Over 15,000 people performed on our stages as part of the year's activity. This is a testament to the creativity and passion of our local and visiting talent. Of people recently surveyed, 86% told us that their favourite thing about Geelong Arts Centre is *'that you bring arts and culture to the region'*. We are also very proud that more than 56% of people told us that they attend local bars and cafes when attending a show, so we know our impact on the local economy and cultural identity have never been stronger and this is something that we are very proud to be a part of.

Later in 2019, you will start to see the unveiling of our Ryrie Street Redevelopment, introducing you to a new brand, a new look and feel as we invite the Creative Industries, artists and makers to make their home at Geelong Arts Centre. At the same time, we will be busily developing plans for our Little Malop Street Redevelopment with a further \$128 million confirmed from the Andrews Government to make the realisation of our masterplan a reality.

In reflecting on partnerships that make all the activity happen at Geelong Arts Centre, we turn to the exceptional partnership with Deakin University, saying farewell to and acknowledging the work and commitment of Professor Jane den Hollander and welcome new Vice Chancellor Professor Iain Martin to our City. With Deakin's support, we present the Deakin University Theatre Season. A season of works that are of the highest calibre and the envy of any major city. It is a perfect opportunity for Geelong to engage with some of the best companies nationally and internationally. Highlights from the Deakin Theatre Season in this last financial year include Australia's celebrated Bangarra Dance Theatre with *Bennelong*, the powerful and compelling *Prize Fighter* by La Boite Theatre from Brisbane, the internationally touring sensation Circus Oz with *Precarious* and Tasmania Performs bringing us the fabulous First Nation's story written by Nathan Maynard in *The Season*.

With a focus on lifelong learning and experience in programming entertainment for all ages and stages of life, Tuckers Musical Mornings brought us stories and songs including *Bring Him Home* featuring Simon Gleeson and performances by Rachel Beck and Michael Cormick. Geelong Arts Centre is proud of the Education program staff and thank Geelong Connected Communities, the Department of Education and Training, Newsboys Foundation, RE Ross Trust and all partners in delivering our fabulous *Creative Learning and Parrwang Youth Arts* programs.

With Geelong Arts Centre managing Costa Hall on behalf of Deakin University, this facility has delivered some remarkable performances in Geelong, including Matt Corby, Deadly 60 Down Under and the Melbourne Symphony Orchestra's season of five exceptional programs, including Holst's *The Planets* and Beethoven's *5th Symphony*.

With the utmost gratitude, I thank all our corporate and philanthropic partners and donors for your generosity and to the Victorian Government, Minister Foley and our colleagues at Creative Victoria, I thank you for the support and faith in our team to help deliver our shared vision as part of the *Creative State* strategy.

As we continue to grow and change, we remain committed to putting audiences and community first and look forward to a shared future as we get ready to open our new facilities in November.

A stylized, handwritten signature in blue ink, consisting of a large 'J' and 'M' intertwined.

Joel McGuinness | CEO
Geelong Arts Centre

IN THE SPOTLIGHT

Ryrie Street Redevelopment and Little Malop Street Redevelopment milestones

A watershed year for Geelong Arts Centre as the \$38.5m Ryrie Street Redevelopment project is on track for a November 2019 unveiling. The Andrews State Government confirmed \$128 million to deliver the Little Malop Street Redevelopment and planning continues to make this vision a reality.

Creative Victoria backs the Redevelopment with funding

Geelong Arts Centre acknowledges the ongoing support of the Victorian Government through Creative Victoria, and the new and most welcome funding to assist with redevelopment technology, marketing and programming.

Indigenous and diverse programming throughout the year

Geelong Arts Centre continues its commitment to hosting diverse voices on our stages with the Deakin Theatre Season including *The Season* presented by Tasmania Performs, and an exceptional story from a Tasmanian First Nation's writer and a stellar Aboriginal and Torres Strait Islander cast and much of the crew, the Congolese / Australian Story of *Prize Fighter* from La Boite Theatre Company, the beautiful multicultural *Jurassic* from Red Stitch and the awe inspiring and moving *Bennelong* from the world renowned Bangarra Dance Theatre. We have a vision that more work in our spaces, more of our audiences and more conversations will reflect the unique and wonderful diversity of our broader Australian community, and we look forward to this increasing in future years.

Community engagement projects

Geelong Arts Centre has a renewed commitment to being a part of major community celebrations including Geelong After Dark. More than 4,000 people attended the event at Geelong Arts Centre this year with extraordinary entertainment and visual splendor, as we broadened our program and held free family shows and events all evening.

Reconciliation Week and Reconciliation Action Plan

Geelong Arts Centre was proud to facilitate Reconciliation Week activities this year with displays, workshops and signage. We are continuing on our Reconciliation journey by deepening our inclusion of the local Aboriginal and Torres Strait Islander communities through consultation with local groups, artists and community leaders as a fundamental element of the finalisation of our Reconciliation Action Plan before its release in late 2019.

STRATEGIC PLAN 2016 – 2020

Geelong Arts Centre is a leader and driver of change for the creative industries in the region. As such, it will continue to develop new operating models becoming both one of Australia's great performing arts centres - befitting of Victoria's major regional city - and a major regional creative centre.

Four Key Areas For Driving Change

1. **Grow Geelong region's creative capability:** Drive a local, national and international agenda by supporting Victoria's creative industries, and incubate and develop local artists.
2. **Program to build a broad audience:** Actively curate the artistic program with performances that enhance overall audience appeal, broaden audience demographics, are culturally relevant and are of high artistic merit.
3. **Enhance the customer experience:** Deliver an exceptional customer experience that permeates throughout the precinct and extends the reach of Geelong Arts Centre to embrace digital platforms.
4. **Diversify revenue streams:** Maximise venue utilisation and grow non-theatre revenues through food and beverage, digital platforms, philanthropic and corporate donations.

Strategic Initiatives

- Incubate and develop local artists
- Present artistically original acts of great quality
- Attract performances that appeal to a broad audience
- Program culturally relevant performances
- Collaborate with other experience providers
- Develop hospitality offerings with stand-alone appeal
- Support creative industries
- Develop digital platforms
- Actively seek financial supporters
- Create vibrancy outside the theatres
- Enhance commercial venue operations

Our Values

- Passion for the performing arts
- Community and customers
- Teamwork
- Honesty, fairness and respect
- Safety

STRATEGIC PLAN

Given the rapid change taking place across the organisation, Geelong Arts Centre has engaged in a full review of its strategic direction during the first half of 2019. Geelong Performing Arts Centre Trust, management and team have been involved in developing a new strategic plan and a 10 year vision that will be adopted for the 2019-20 financial year and will inform planning and development for the future.

With the opening of the Ryrie Street Redevelopment in late 2019, as well as detailed design beginning for the Little Malop Street Redevelopment. Geelong Arts Centre is operating in an exciting, dynamic and changing environment. Once adopted the new plans will be updated annually in order to adjust to the needs of the business and the creative communities it serves.

Through all planning, Geelong Arts Centre remains committed to its core objectives of facilitating creative practice, expanding and developing audiences and ensuring long term sustainability of the organisation.

KEY AREA 1 GROW GEELONG REGION'S CREATIVE CAPABILITY

One of the best ways to build creative capability is to ensure that all children and young people from across the region have access to a dynamic educational experience. Geelong Arts Centre's vibrant Creative Learning Program is supported by Geelong Connected Communities, the Department of Education and Training, Communities That Care, City of Greater Geelong and headspace Geelong.

The Creative Learning program aims to empower young people to have a voice, to spark creative thought and to build self-esteem, utilising a strong health and wellbeing platform. Each program is designed to be integrated across the curriculum, so that teachers and students can use the information and experiences learned, as a springboard for further exploration back at school. Programs range from theatre-based experiences and workshops, to youth festivals and leadership seminars, connecting children from kindergarten through to year 12. All programs give students access to professional theatre spaces, teaching artists, theatre makers and technicians, and all programs can be adapted to suit the ability and skill of the individual.

More than 10,000 students, teachers and parents participated in the Creative Learning programs over 2018-19. Works specifically presented for senior students included: *Elegy*, *In Between Two*, *Jump First Ask Later* and the VCE selected play *Robot Song*. Middle school students and kinder kids enjoyed *The Very Hungry Caterpillar*, *MacDeth* and *Me and My Shadow*. Within the program there is a strong emphasis on offering interactive workshops and this year they were facilitated by artists from Bangarra Dance Theatre and Circus Oz. Working with the student as the artist and theatre maker is also central to the Creative Learning programs and was specifically reflected in: *Kaleidoscope*, *Reconciliation*, *Books Alive*, *Sustainable Strategies*, *Youth Voices* and *Inspiring Student Leaders*. Key Festivals for the year included; *Take Over*, *Act Up for Sustainability*, *Geelong Schools Music and Movement Festival* and *Poppykettle Children's Festival*.

Short Black Opera returned for a fifth year, facilitated by Yorta Yorta soprano, composer and educator Deborah Cheetham AO. Short Black Opera has been strongly supported by Community and seen as a powerful way to connect young aboriginal kids from across the region. The program runs across a week, with students learning about culture, storytelling and singing, culminating in a free community concert. Children and young people participating in this program have had many other opportunities to stay connected and continue their singing, especially through the scholarship program, which is a Geelong branch of the Dhungala Children's Choir.

Parrwang Youth Arts

(Parrwang' meaning 'Magpie' in Wadawurrung language)

Parrwang Youth Arts provides Geelong's Aboriginal and Torres Strait Islander children and young people with fun, interactive and meaningful multi-arts experiences. Our holiday program and after school workshops take our young people aged 5-18 on a cultural and artistic journey - exploring and creating stories through dance, drama, song, music and visual arts. Facilitated by professionals, particularly Aboriginal and Torres Strait Islander Artists, the workshops encourage children to connect with culture, Country, creativity and to each other. Key artists involved in the program include; Norm Stanley a Kurnai / Wotjabaluk musician, artist and storyteller, Auntie Bronwyn and Kata with Bush Animals and Traditional Weaving. Thaetra Frangos shared her knowledge of Wayapa and Sermsah-taught dance and movement and the Hip Hop Indigenous crew brought the kids and community together for a shared dance experience.

KEY AREA 1 GROW GEELONG REGION'S CREATIVE CAPABILITY CONTINUED

Following each series of workshops, Geelong Arts Centre opens its doors to families and community for the Parrwang Youth Arts 'Show & Share' event in celebration of our young people's creations, expressions, confidence and pride.

Over the past year, 30 young people have regularly participated in each school holiday and after school program, as they grow with the program, so does their confidence, skill and connection to Country.

The Parrwang Youth Arts Program has evolved from the success of the Deborah Cheetham's Short Black Opera program and the inclusion of workshops and performances that tell stories inclusive of Aboriginal and Torres Strait Islander people, work such as; Bennelong by Bangarra Dance Theatre and The Season by Nathan Maynard. The name Parrwang Youth Arts come from a Dreaming story developed by Deborah Cheetham with young people from across this region.

We are thankful for the funding received from Geelong Connected Communities, the RE Ross Trust, Newsboys Foundation and for the continued growth and development of the Parrwang Youth Arts Program.



KEY AREA 2 PROGRAM TO BUILD A BROAD AUDIENCE

During 2018 - 2019,
Geelong Arts Centre
presented programming
and delivered a range of
high-quality productions for
all ages and stages of life.

Deakin University Theatre Season

Geelong Arts Centre is committed to presenting our audiences with new Australian work, sourced in partnership with independent producers, small to medium ensembles and major state theatre companies.

The Events was a wonderful example of this collaboration with Belvoir, Malthouse Theatre and State Theatre Company South Australia, co-producing this harrowing but extraordinary investigation of humanity. *The Events* was performed with a local Geelong choir - Raise the Bar. As the choir sang, they brought a sense of hope and social connectedness to the audience, demonstrating our capacity for humanity. The Choir also loved the experience of being a part of this professional production. Next up, The Playhouse was transformed into the beautiful wilderness of Tasmania's Dog Island with *The Season*, presented by Tasmania performs. This warm, laugh-out loud comedy of an Aboriginal family coming together each year for the Mutton bird harvest. This show was heartbreaking and hilarious, and included the very talented Trevor Jamieson. Geelong Arts Centre partnered with Red Stitch and Critical Stages to bring the beautiful multicultural story of *Jurassica* to the Drama Theatre. This story of family, migration, language and growing old was performed in English and Italian bringing humor and pathos to the story. The remarkable Griffin Theatre company from Sydney presented *The Almighty Sometimes*, a play written by Kendall Feaver, winner of the Judges Award in the prestigious (UK) Bruntwood Prize for Playwriting. This play is a profound and compelling study of a young woman suffering from mental illness, wanting to take back control of her life and stop medication, to the despair and concern of her mother. Brenna Harding, who played the daughter, brought a strong sense of realism to the role, keeping the audience captivated as she struggled with the highs and lows of her choices and the impact it had on her family and loved ones. *Prize Fighter* from La Boite Theatre and Brisbane Festival saw the Drama Theatre transformed into a boxing ring with actors in character warming up as the audience entered the space. This adrenaline-pumping theatre experience brought together the plight of a young Congolese man fleeing his tortuous past as a boy soldier with the visceral thrill of live boxing.

We also welcomed back the Helpmann Award winning Bangarra Dance Theatre Company with *Benneelong*. Inspired by true events, this theatrical dance work highlighted the extraordinary curiosity and diplomacy that led an Aboriginal community to survive a clash of cultures, contributing to the establishment of positive relationships between the Eora and the British, for a serene future. And finally, audiences were in awe of the skill and daring of the performers from Circus Oz's *Precarious*, which held a strong focus on the environment and global warming.

Love Central Geelong Family Magic

The Family Magic program continued to be popular, with many enthusiastic children and their families enjoying a day out at the theatre, often including lunch and a free post show craft activity. Award winning theatre companies from all over Australia brought their beautifully conceived shows to Geelong, with work expertly devised for children, many of them based on books. *The Very Hungry Caterpillar* presented by JWR Productions Australia and Michael Sieders delighted audiences with 75 magical puppets. Family favorite, *The Gruffalo* presented by CDP with Tall Stories returned this year bringing the award-winning picture book by Julia Donaldson and Axel Scheffler to the stage. The kids loved seeing the characters from the book come alive and were captivated in every moment. Next up was the laugh out loud antics of The Listies with their brand-new show *ROFLALBOWCO* (rolling on the floor laughing so hard a little bit of wee comes out). This fun, ridiculous and hilarious show had children and adults smiling from ear to ear.

Tucker's Musical Mornings

Geelong Arts Centre's series of daytime concerts continued to offer an opportunity for social connection for the older audience. This year's concerts included something for all musical tastes.

The shows ranged from tributes to Bing Crosby to Frank Sinatra, and music theatre stars Rachael Beck and Michael Cormick sang up a storm in their respective shows with songs from all the latest music theatre hits. John Bowles kept Peter Allen's legacy alive and Melissa Langton brought back the days of swinging London with *Downtown* - *The Songs of Petula Clark*. The Gilbert and Sullivan fans were very happy with the energetic performance by the evergreen Promac Company of *The Pirates of Penzance* and everybody was moved by the beautiful concert brought to Geelong Arts Centre by Jonathan Welch and his Choir of Hard Knocks. Christmas was celebrated with all the traditional carols and some new ones with a special mention to the children from Northern Bay College, led by their fantastic teacher Amanda Baulsch, who brought smiles to our faces with their enthusiastic Christmas singing.

KEY AREA 2 PROGRAM TO BUILD A BROAD AUDIENCE CONTINUED

There's more

Natalie O'Donnell and Simon Gleeson brought some show business glamour to the Playhouse stage with *Heart and Music*. Bringing their extensive musical theatre careers to the fore, they wowed the home-grown audience with memorable show tunes. The Melbourne Comedy Festivals' *Raw Comedy* returned to start the year and it was laugh-a-minute.

Ryrie Street Redevelopment

To drive our vision to foster and engage our local creative community, extensive emphasis was placed on our \$38.5m Ryrie Street Redevelopment, which is due for completion in November 2019. Geelong Arts Centre is delighted to be working closely with three government agencies on the critical investment of Geelong's cultural precinct infrastructure and value the great working relationship with Creative Victoria, Kane Construction, Regional Development Victoria, Hassell Architects and Development Victoria, as we finalise this complex and exciting project. We look forward to commencing our Little Malop Street Redevelopment to cater for the high levels of demand at Geelong Arts Centre's. Both redevelopments ensure we can deliver excellent cultural outcomes as Geelong and the region continue to grow. Geelong Arts Centre's redevelopments are priority projects for both the G21 and the *Revitalising Central Geelong* Action Plans. The arts play a critical role in the transition of the regional economy, ensuring Geelong is recognised for its creativity, vibrancy and as a city that celebrates its clever and creative makers, practitioners and artists.

Local Cultural Partners

We were thrilled to collaborate as part of the Cultural Precinct on projects including Geelong After Dark and NAIDOC Week celebrations. Geelong Arts Centre acknowledges the great work of the City of Greater Geelong in delivering strong arts and cultural outcomes for the community. Geelong Arts Centre proudly supports Back to Back Theatre and their creative development process, providing access to the theatre to explore their design and technical developments. Local theatre companies, artists and practitioners are partnering with us through Creative Engine, to plan for the future and find ways to collaborate and support the great local talent we have in our city region.

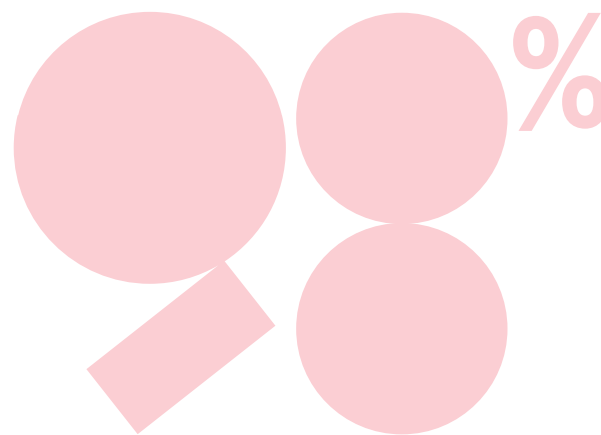
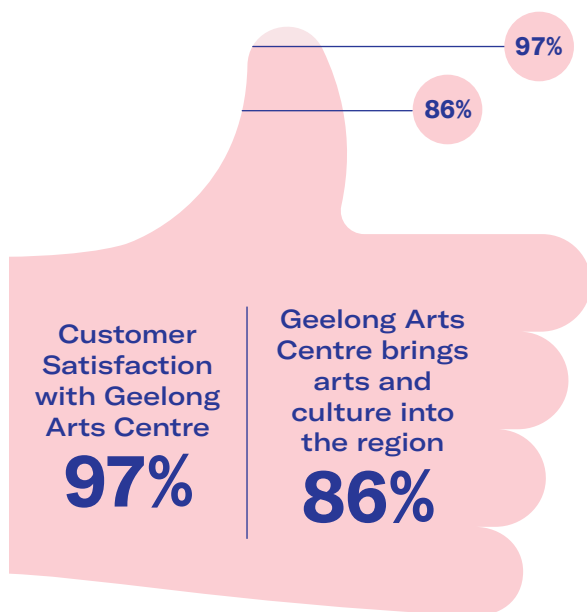
Community Access Program (CAP)

The CAP scheme makes it possible for local performing arts groups to access all of Geelong Arts Centre's venues and equipment at a reduced rate including marketing support, discounted venue costs, professional advice and mentoring to support emerging artists to grow and flourish. Valued media partner, the Geelong Independent Group, underpins ticket allocation.

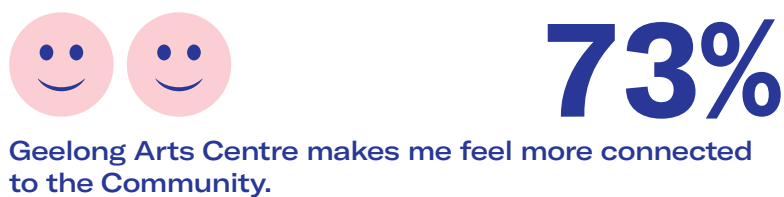
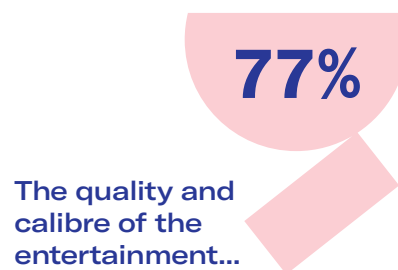
Raising funds is essential for many not-for-profit organisations such as schools, sporting clubs and local charities. Geelong Arts Centre provided tickets to the value of more than \$12,000 this year for many well-deserving groups including:

St Mary's Primary School	Barwon Health
Western Heights Awards	Sacred Heart College
Geelong Small Business Awards	Rotary Geelong
St Joseph's College	Allanvale Preschool
Torquay College	Pako Festa
Geelong Women in Business	Bethany Community Services
Gordon TAFE	genU Inclusion Partners
Small Business Awards	Bellarine Secondary College Awards
Give Where You Live	Geelong High School Awards
Geelong After Dark Festival	
Christian College	

Geelong Arts Centre Customer Survey 2019



Geelong Arts Centre is important to the Region's cultural life. **98%**



95%

Recommend Geelong Arts Centre as a place to visit.

GEELONG ARTS CENTRE WELCOMED...

Deakin University Theatre Season

Bangarra Dance Theatre
Bennelong

Circus Oz
Precarious

Red Stitch & Critical Stages
Jurassica

La Boite Theatre
Prize Fighter

Griffin Theatre Company
The Almighty Sometimes

Belvoir Malthouse SA Theatre
The Events

Tasmania Performs
The Season

Tuckers Musical Mornings

B Sharp Big Band

Bach to Broadway

Bring Him Home

Pirates to Pinafore

Rachel Beck & Michael Cormick

Silvie Paladino

*Magic – The Songs of
Olivia Newton John*

*War Songs Hurrah for WW1
Commemorations*

Family Magic

The Gruffalo

The Listies - ROFLSHALBOWCO

The Very Hungry Caterpillar

Education - Creative Futures

Elegy

Geelong Schools Music
& Movement Festival

In Between Two

Inspiring Student Leaders
Senior School

Jump First Ask Later

Kaleidoscope/Reconciliation

Kids as Catalyst Showcase

Macbeth

Me and My Shadow

Parrwang Youth Arts

Poppykettle Children's Festival

Robot Song

Short Black Opera

Sustainable Strategies

Take Over
VCE Theatre Studies

Books Alive
Where The Wild Things Are

Geelong Arts Centre Presents (Other)

Circle Amor

Curious Mechanics
Enter Ophelia

Mother's Ruin

Stardust & The Mission

The Creative Exchange

Raw Comedy

*The Devine Miss Bette
and Piano Bar Takeover*

Simon Gleeson & Natalie O'Donnell
Heart and Music

Melbourne International Film Festival

Comedy

Adrian Bohm Presents *Bill Bailey*

Alist presents
Akmal
Anh Do
Arj Barker
Ross Noble

Joke Corp presents *Friendly Jordies*

Mary Tobin presents *Stephen K Amos*

Melbourne International Comedy
Roadshow

Concert

Abstract Entertainment presents
Songs in the Key of Motown

Elvis An American Trilogy

AKA presents *Deadly 60 Downunder*

Third Rodeo presents
APIA - Good Times Tour

Artist Network presents
John Williamson

Select Music presents *Ball Park Music*

Barry Humphries:
The Man behind the Mask

Bellbrae Primary School Concert

Ben Maiorana presents
Adele and Amy Winehouse

Music of the Night

Roy Orbison

Johnny Cash

The Everly Brothers

Christ the King Concert

Christian College House Music

Centerstage
We Will Rock You

Anthony Callea Charity Event

Clifton Springs Primary School Concert

Deakin Res Factor

Focal Point Australia presents
Clapton Unplugged

Russian Ballet Ltd Presents
Swan Lake

Foster and Allen

Geelong College Foundation Concert

Geelong Lutheran Concert

Geelong Summer Music Camp

Geelong Symphony Orchestra
Rhapsody
The Mighty 9th
Two Romantics

Inverleigh Primary School

Leopold Primary School Concert

Live Nation presents *Mister Maker*

Giggle and Hoot

Matt Corby

Manifold Heights
Primary School Concert

Melbourne Symphony Orchestra
Holst - The Planets
Beethoven 5
Bruckner Sixth Symphony
Ludovic Merlot
The Dream of Gerontius

Mellen Events presents *In the Mood*

Nashville Live

Puttin on the Ritz

Ocean Grove Primary School Concert

Premier Artists presents
APIA Good Times Tour

Kasey Chambers

Renegade presents *Rockwiz Live*

Ron Vincent presents *Cat Stevens*

St Ignatius College
Instrumental showcase

St Ignatius College presents *Mosaic*

The Harbour Agency presents
Hermans Hermits

My Leonard Cohen

Tubular Bells for Two

Echoes of Pink Floyd

Damien Leith

Like a Rhinestone Cowboy

Glen Campbell

Looking through the looking

Glass Onion

Troy Cassar-Daly

Christopher Wayne Orchard presents
The Killer Queen Experience

A Tony Minniti Presentation presents
The Kings of Rock & Soul

TJ Productions presents
The Michael Jackson Show

The Music Group presents *Bjorn Again*

The Music House presents
The Proclaimers

Let It Be Australia presents
The Simon and Garfunkel Story

The Wiggles International

Three Little Fish and Jarrah Records
presents *The Waifs*

Big Mother Touring presents
Toni Childs Retrospective

Mana Birri Touring presents
*Xavier Rudd - The Storm Boy
Album Tour*

Dance

Barclay School of Ballet

Barwon Calisthenics

Bellarine Academy of Dance

Brian Nolan Academy of Dance

Cheer Geelong

Dance Fever

Danceworks Geelong

Debbie Lee School of Dancing

DMC Dance Move Create Concert

Eastside Calisthenics

Expressions Ballet Academy

Fuse Dance Company

Geelong Academy of
Performing Arts Dance Concert

Geelong Ballet Centre Concerts

Geelong Calisthenics

Geelong High School VCE Dance

Geelong School of Dance

GIC Moscow Ballet presents
La Classique Nutcracker

Impetus Dance Theatre

Infinite Dance Studios

Julie Anne's Dance Avenue

Larinda Calisthenics

Lehenda Ukrainian Dance Company

Masters of Choreography
Raise the Barre

Melbourne City Ballet presents
Sleeping Beauty

Wizard of Oz

Ocean Grove Calisthenics

Russian Choreographic Academy

Russian Imperial Ballet presents
A Russian Triple Bill

Samuel Klingner Entertainment
presents *The Tap Pack*

Sandra Clack Ballet Centre

Spark Youth Dance Company presents
Shatter

Pace Entertainment presents
Taste of Ireland

Wakakirri

Westcoast Calisthenics

Wingrove Calisthenics

Graduations and Award Ceremonies

Bellarine Secondary College Awards

Belmont High School Awards

Christian College Geelong Graduations

Christian College Geelong Presentation
Afternoon

Deakin Graduations

Geelong College Year 12 Valedictory

Geelong High School Awards

Geelong Lutheran College Awards

Gordon TAFE Geelong Graduations

Marcus Oldham College Awards

Newcomb Secondary College Awards

North Geelong Secondary
College Awards

Oberon High School Awards

St Joseph's College Awards

Western Heights College Awards

Western Heights Secondary
College Graduations

Musicals

CenterStage Theatre presents
Cinderella

Centerstage Theatre presents
We Will Rock You

Christian College presents *Annie*

Tri School Production hosted by
Clonard presents *Grease the Musical*

Footlight Productions presents
Les Miserables

Geelong College presents
Legally Blonde

Geelong Lutheran College presents
Seussical

GSODA presents
Some Kind of Wonderful

Medimime presents *Aladdin*

Samuel Klinger
Entertainment presents
Menopause the Musical

Tri School Production hosted by St
Joseph's presents *Shrek*

Public Festivals

Geelong after Dark

Reconciliation in the Park

White Night Activation

Diwali

Seminars and Conferences

Deakin - Ascilite Conference

Deakin Conference- Navy, Industry
and Academia Training

Foundry 658

Geelong Tertiary Information Sessions

Graffiti Victorian Building Authority

Facebook Community Boost

Pivot Summit

The Resilience Project

VALID – Have a Say Conference

Theatre

CWTC presents *Women of Troy*

KEY PARTNERS

Geelong Arts Centre gratefully acknowledges the State Government of Victoria for its generous support. We thank the Minister for Creative Industries Martin Foley MP and our local parliamentarians for their ongoing interest, encouragement and advocacy.

Government Partners



Deakin University Theatre Season Partners



Program Partners



1. Theatre Season 2. Family Magic 3. Musical Mornings 4. Community Access
5. Geelong Schools Music and Movement Festival 6. Parrwang Youth Arts

Worksafe Green Room Club



Acts of Support



OUR 2018/19 SUPPORTERS AND DONORS

Alison Witcombe
Amanda Rimmer
Anthony Klemm
Anthony Costa Foundation
Barbara Douglas
Barry & Joan Calcutt
Bernard & Helen Jordan
Britt Fraser
Bruce Wilson
Carmel Murphy
David Phillips
Dianne Rabbas
Elise Perry
Elizabeth Allen
Gail Rooney
Gail Frost
Geoffrey Brentnall
Helen Rodd
Hugh Kelso
Ian Williams
Isobel Bell
Janelle Jenkins
Joel McGuinness
John Lesser
John & Lesley Hines
Joy Green
Julia Keady
Kate Brereton
Kirsten Kilpatrick
Lesley Alway
Lloyd Owen
Mareta Eagles

Michelle Quigley
Neville Meyers
Nicole Weule
Owen & Christine Harris
Patricia Mort
Peter Tullin
Philippa Lytzki
Robert Threlfall
Robert & Gail Bett
Robyn Paull
Rosemary Brown
Rosemary Dillon
Roslyn Gibson
Sheila Dawson
Sue Clark
Susan Strong
Terry Henderson
Victoria Dorain
Wendy Dimmick

Creative Learning Sponsors

Barwon Child, Youth & Family
Creative Victoria
City of Greater Geelong
Collier Charitable Fund
Communities That Care
Geelong Connected Communities
McHarry's Buslines
Newsboys Foundation
The R E Ross Trust

BOX OFFICE AT YOUR SERVICE

Geelong Arts Centre's box office operates Geelong's Ticketek and Ticketmaster agencies and also ticketing for a range of events that take place outside of our venues. In 2018-19, we provided ticketing services for the following shows and events.

Hoang Pham in Concert
Friends of the MSO Geelong
Australian Youth Classical Music Competition
The Geelong Advertiser Music Scholarship Trust
Melbourne Chamber Orchestra
Geelong Chamber Music Society
Omega Ensemble
Orava Quartet
Diana Doherty & MCO
Geelong Musicians Reunion
Barefoot in the Park
Geelong Repertory Theatre Company

The Charitable Sisterhood of the Second Trinity
Victory Church
Private Lives
Angels in America
Mr. Bailey's Minder
Shakespeare in The Vines
Midsummer Night's Dream
Leura Park Estate
The Fretless
Minya Winery
Slipdixies
Fred Smith

KEY AREA 3 ENHANCE THE CUSTOMER EXPERIENCE

Every year we run a customer survey sampling all ticket buyers for shows within a two-month period.

It is always a delight to read the comments from our regular customers about how much they love Geelong Arts Centre.

Geelong Arts Centre hosted a vastly diverse range of performances, from international comedians, such as Stephen K Amos and Bill Bailey, to home-grown international stars – Xavier Rudd, Barry Humphries and Matt Corby. We have enjoyed a multitude of local dance and calisthenics concerts, and marveled at the local talent on display in Musicals such as *Cinderella*, *We Will Rock You*, *Annie*, *Grease the Musical*, *Les Miserables*, *Legally Blonde*, *Seussical*, *Some Kind of Wonderful* and *Aladdin*.

It is wonderful to see so many schools using our theatres to host awards and presentation nights such as Geelong Lutheran College, Bellarine Secondary College, Christian College, St Joseph's College, St Ignatius College and Marcus Oldham College.

On top of all the well-received hirers shows it was also great to see such diversity in the 2018-19 Deakin Theatre Season, from big scale productions such as Bangarra Dance Theatre's *Bennelong* and Circus Oz, to the beautifully performed *Jurassica*, *The Almighty Sometimes* and *The Events* to the dramatic and physical *Prize Fighter* - there truly was something for everyone.

"I am so looking forward to the renovations being completed and being able to see our new centre".

"An amazing facility for a variety of shows and the acoustics were awesome. Would have loved for the cafe to have more vegetarian options but overall really enjoyed my time at Geelong Arts Centre".

"The quality of the shows is outstanding. I love visiting Geelong Arts Centre".

"I've been really impressed with how well Geelong Arts Centre has presented itself to audiences during the building works. The recent Piano Bar take over was a delight. We need more events when the foyer is alive and rocking & the audience stays on after the show".

"The staff are always so friendly and the shows that are available are fantastic. Recently, I was involved in the Geelong After Dark program and helped draw people into the centre. This was a very fun event and it is clear to see that The Centre is an asset to our city".

"I love the small theatre, so would like to continue seeing more intimate music and theatre there. Also like the extra music entertainment in the foyer when it's available".

"I love coming to Geelong Arts Centre. A friend and I subscribe to the season each year as well as coming to other shows with family. You could not get better service anywhere than from the ladies who organise the tickets. It always takes a little while to do the whole season, but they are always exceptionally helpful and friendly. All staff we have encountered at the centre are lovely. It must be a nice place to work! We love the question and answer sessions with the cast. The range of shows is great. Well done!"

Compliance with the Carers Recognition Act 2012

Carers represent all age groups and can be friends, neighbours or family members who care for people requiring ongoing support. Geelong Arts Centre is registered with the Department of Human Services as a participant in the Victorian Carer Card program.

Carer Card and Seniors Card holders are entitled to discounts on tickets to shows at Geelong Arts Centre where there is a discount price available.

Disability Action Plan

Geelong Arts Centre's Disability Action Plan is compliant with the Commonwealth Disability Discrimination Act 1992, the State Equal Opportunity Act 1995 and the Victorian Disability Act 2006. Complimentary tickets are available for those accompanying patrons who require wheelchair access and discounted tickets are available for all concession card holders.

KEY AREA 3 ENHANCE THE CUSTOMER EXPERIENCE CONTINUED

Cultural Diversity

The population and demographic diversity in this region is growing rapidly and embracing our cultural and linguistic diversity is paramount. In 2018-19 we celebrated diversity in programming – both in relation to artists engaged, stories being told, and target audiences. Geelong Arts Centre provides leadership in this endeavour as artists open our eyes and ears to a range of stories, music and imagery which help us interpret history and associated differences and similarities.

Digital Pathways

As our digital gateways are constantly refreshed, our audiences are encouraged to sign up for e-news that arrives by email once a fortnight. Geelong Arts Centre's social media platforms are a resource to find out what's on, for booking shows and choosing seats, all from the comfort of your own home. Shows can be paid for online by credit card and the tickets can be printed at home, be posted out or made available for collection at the box office.

Systems and capability enhancement

Geelong Arts Centre is investing in new and upgraded systems to better understand our audiences and their needs. These upgrades will provide management the ability to streamline processes and make evidence-based decisions. We are also strengthening our offering through improved production and presentation equipment, and building facilities.

KEY AREA 4 DIVERSIFY REVENUE STREAMS

While our building project continues to impact our venue operations, we are confident as we continue to operate through this disruption. This financial year was always going to be challenging as we negotiated disruptions during the Ryrie Street Redevelopment project. Geelong Arts Centre will mitigate and minimise the impact of building and be prudent in managing expenditure wherever possible.

Geelong Arts Centre has commenced a rigorous planning phase in order to ensure that the expanded centre is ready to open and we are able to capitalise on the new spaces in the coming years.

Our major revenue streams include box office, venue hire, booking fees, sponsorship, management fees, catering sales and commissions. Our greatest revenue is achieved through venue Hire \$1,179,541 with food and beverage contributing \$569,419, booking fees \$558,309 and sponsorship and fundraising \$1,052,122. These streams are crucial to Geelong Arts Centre's sustainability and we continually strive to improve diversification within our revenue targets and find new business opportunities.

Geelong Arts Centre has continued to perform well with total attendances of 183,142 in a difficult year for hirers and patrons resulting from reduced seating capacity in The Playhouse. We have many loyal hirers and patrons who have shown great understanding and commitment to Geelong Arts Centre throughout the redevelopment project. We look forward to the certainty of opening our new facilities and being able to develop new and existing business once the project is completed.

Once adjustments are included given the uncertainties and challenges of the current financial year, Geelong Arts Centre's total revenue, including redevelopment grant income, is \$26,332,417, which we consider a firm result. Our operating surplus (before depreciation) is \$19,866,629 and this is an acceptable result in this current year.

Arts for Life Endowment Fund

Geelong Arts Centre's endowment fund was well supported in 2018-19 with total contributions of \$710,427. Our initiative, Geelong Arts Centre's Giving Circle, brought our supporters new opportunities to celebrate the arts in Geelong. A big thank you to all our patrons who contributed to the *Extraordinary* Campaign that raised \$8,750 and our *Acting Green* initiatives through an additional donation at the Box Office. It does go a long way.

TRUST CHARTER AND PURPOSE

The Geelong Performing Arts Centre Trust was established by Geelong Performing Arts Centre Trust Trust Act 1980 No. 9406. The Minister responsible is Minister for Creative Industries, Martin Foley MP.

The Act provides that the functions of the Geelong Performing Arts Centre Trust shall be:

- to complete the construction of Geelong Arts Centre, which shall be known as the Geelong Arts Centre
- to care for, improve and maintain Geelong Arts Centre
- to control and manage Geelong Arts Centre
- to present and produce theatrical performances, operas, plays, dramas, ballets, musical and other performances and entertainment of any kind whatsoever in and outside Geelong Arts Centre
- to promote the use of Geelong Arts Centre by persons and bodies whom the Trust consider suitable
- to perform any other functions appropriate to Geelong Arts Centre as the Minister may approve

Trust member meeting attendance

	Possible meetings to attend	Actual meetings attended
Lesley Alway (Chair)	8	7
Geoff Street (Deputy Chair)	8	8
Robert Costa	8	6
Geoff Saunders	8	8
Kirsten Kilpatrick	8	7
Cate Steains	8	7
Sue Clark	8	7
Peter Tullin	8	8
Margot Smith	8	8

TRUST SUB COMMITTEES AND TERMS OF REFERENCE

The Chair is an ex-officio member of all sub-committees

Audit and Risk Subcommittee

- Margot Smith, Chair
- Geoff Saunders
- Cate Steains
- Michael Carrol (External)
- Ian Sweet (Internal Auditor)

The Audit and Risk Subcommittee performs a leading role in the governance and oversight of the organisational risks managed by the Trust. It is responsible for developing and monitoring standards for external financial reporting, maintaining systems of internal control and risk management. The CEO and, Director Production Operations and Director Corporate Services also attend the subcommittee.

Finance and Corporate Services Subcommittee

- Sue Clark, Chair
- Geoff Street

The Finance Subcommittee is responsible for overseeing Geelong Arts Centre's financial and related affairs on behalf of the Trust, in accordance with the Trust's responsibilities as prescribed by the Act and the Financial Management Act 1994. The CEO and Director Corporate Services also attend the subcommittee.

Philanthropy and Partnerships Subcommitt

- Kirsten Kilpatrick, Chair
- Peter Tullin
- Sue Clark
- Robert Costa

The Philanthropy and Partnerships Subcommittee provides advice and guidance on sponsorship, fundraising and marketing strategies and monitors performance against budget. Members advocate on behalf of Geelong Arts Centre to relevant business, government and community networks, represent Geelong Arts Centre at key functions and meetings and act as hosts at Geelong Arts Centre events and functions. The CEO and the Director Development and Marketing attend the subcommittee.

Governance, Nominations and Remuneration Subcommittee

- Cate Steains (Chair)
- Margot Smith

The Governance, Nominations and Remuneration Subcommittee will provide oversight and advice on Geelong Arts Centre and Trust governance issues including future nominations to the Trust, Geelong Arts Centre's policy framework and review the performance, professional development and remuneration of the Chief Executive Officer. The CEO and Director Corporate Services also attend the subcommittee.

TRUST MEMBERS



Lesley Alway (Chair)



Geoff Street



Robert Costa



Geoff Saunders



Kirsten Kilpatrick



Margot Smith



Sue Clark



Peter Tullin



Cate Steains

Ferne Millen Photography



ORGANISATIONAL CHART

AS AT JUNE 2019

PEOPLE AND WORKPLACE

Learning and development

Geelong Arts Centre continued to support learning and development opportunities in 2018-19 providing staff with 1,283 hours to attend externally facilitated events and 979 hours of internally facilitated training across the majority of employees. Large group training included five all-staff meetings along with compliance training in emergency evacuation, use of hazardous materials and first aid.

Individual role-specific learning included workshops in finance skills, grant writing and performance management along with conference attendances for IT, box office, marketing and programming staff. Geelong Arts Centre staff networked extensively with arts agency colleagues in established forums and in the Geelong business and services community.

A leadership development and change management program was undertaken by the newly appointed Executive Leadership Team and Manager Coordinator Team.

Geelong Arts Centre proudly supported our Senior Producer Youth Families & Creative Learning's attendance at the Lincoln Center Education Summer Forum in New York City. This 10-day lab was for experienced teaching artists focusing on the activation of artistry, inquiry and reflection to connect creative learning and teaching philosophy with holistic practice.

Enterprise agreement

Geelong Arts Centre's Enterprise Agreement 2016-2020 was approved by the Fair Work Commission on 22 March 2018 with a nominal expiry date of 29 February 2020. The Agreement delivers 3% pay increases over the life of the Agreement effective 1 March 2017, 1 March 2018 and 1 March 2019. Service Delivery Partnership Plan initiatives include the service of food and beverage to patrons while seated in theatres and the implementation of several operational efficiencies in rostering, payroll and training recording systems.

EXECUTIVE LEADERSHIP TEAM

From left to right:
Brad Rush, Ahmer Jalil,
Joel McGuinness, Kate Brereton
Shaun Woodhouse



WORKFORCE DATA

June-19															June-18														
		All employees			Ongoing			Fixed term Casual			All employees			Ongoing			Fixed term Casual												
		Number (headcount)	FTE		Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE		Number (headcount)	FTE		Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE											
Demographic data	Gender																												
	Women	81	27		8	9	16	64	11		84	27		9	10	14	65	13											
	Men	62	16		12	2	10	48	6		47	14		6	-	9	41	5											
	Self-Described	n/a	n/a		n/a	n/a	n/a	n/a	n/a		n/a	n/a		n/a	n/a	n/a	n/a	n/a											
	Age																												
	15-24	25	3		-	1	1	24	3		26	3		-	-	0	26	3											
	25-34	22	7		3	3	5	16	3		16	4		4	3	3	9	1											
	35-44	20	6		7	2	5	11	1		15	8		2	-	6	13	2											
	45-54	36	15		7	2	9	27	6		33	12		4	4	6	25	6											
55-64	27	8		3	2	4	22	4		29	11		4	3	7	22	4												
65+	13	3		-	1	2	12	1		12	3		1	-	1	11	2												
Classification data	Executives	1	1		1	-	1	-	-		1	1		1	-	1	-	-											
	Admin employees	25	19		16	8	19	1	0		22	16		11	6	15	5	1											
	Operations employees	117	23		3	3	5	111	17		108	24		3	4	7	101	17											
	Total employees	143	43		20	11	25	112	17		131	41		15	10	23	106	18											

n/a - This information is not available to report. Process and system to capture this data is now in place and will be reported on completion of information gathering process.

Annualised total salary, by \$20,000 bands, for executives.

Income band (salary)	June-19				June-18			
	Executives	Administration employees	Operation employees	Total	Executives	Administration employees	Operation employees	Total
\$160,000-\$180,000	1	0	0	1	1	0	0	1

Employment and conduct principles

Geelong Performing Arts Centre Trust has established employment processes which uphold the employment principles established in the Public Administration Act 2004 as follows:

- employment decisions are based on merit
- employees are treated fairly and reasonably
- equal employment opportunity is provided
- human rights as set out in the Charter of Human Rights and Responsibilities Act 2006 are upheld
- employees have reasonable avenues of redress against unfair or unreasonable treatment

Geelong Performing Arts Centre Trust has developed a code of conduct for employees consistent with the Act which requires that all public sector employees should demonstrate behavior conforming to the public sector values of responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Geelong Arts Centre operates a non-smoking workplace, encourages healthy eating and ensures that staff are trained in all aspects of the arts industry.

OH&S PERFORMANCE

Measure	KPI	2016 17	2017-18	2018 19
Incidents	Number of employee incidents	26	25	41
	Number of employee incidents - rate per 100 FTE	63	61	95
	Number of visitor incidents	53	47	56
	Number of visitor incidents - rate per 100 visitors	0.0249	0.0265	0.0306
Workers compensation	Premium rate	1.4%	1.8%	1.9%
	Weighted industry rate	1.6%	1.9%	1.9%
	Number of standard claims lodged (excludes minor claims)	-	2	1
	Rate per 100 FTE	-	0.0005	0.0002
	Number of lost time standard claims	-	2	2
	Rate per 100 FTE	-	0.0005	0.0005
	Number of open claims exceeding 13 weeks	-	-	1.00
	Rate per 100 FTE	-	-	0.0002
Return to work (RTW)	Percentage of claims with RTW plan <30 days	NA	50%	50%
Management commitment	Regular OHS reporting to Audit & Risk Subcommittee	Yes	Yes	Yes
Consultation	Number of OHS Committee meetings	4	4	3
Training	Induction processes followed:			
	· staff	Yes	Yes	Yes
	· hirers	Yes	Yes	Yes
	· contractors and suppliers	Yes	Yes	Yes
	· Trust members	Partial	Partial	Partial
	Percentage of Health & Safety Representatives (HSR) trained	67%	86%	100%
Risk management	Risk register updated	Partial	Partial	Partial
	Provisional Improvement Notices (PIN) issued by HSRs	-	-	-
Worksafe interactions	Number of notifiable incidents	3	7	1
	Number of notices received	-	1	11
	Number of visits (excluding as a result of a notifiable incident)	1	8	2

Increase in number of incidents for 2018-19 is reflective of Geelong Arts Centre's efforts to improve its incident reporting procedures via staff awareness/engagement in order to capture reportable incidents and improve its safety standards/procedures.

ENERGY AND WATER SUSTAINABILITY

Energy

<i>Indicator</i>	2018-19	2017-18	2016-17
E1. Total energy usage segmented by primary source (MJ)	5,472,834	5,171,182	4,314,510
Electricity (MJ) – excluding Green Power	2,210,429	2,391,120	2,264,455
Natural gas (MJ)	3,262,405	2,780,062	2,050,056
E2. Total greenhouse gas emissions from energy consumption (tonnes CO2-e)	817	920	859
Electricity (tonnes CO2-e) – excluding Green Power	649	777	742
Natural gas (tonnes CO2-e)	167	143	117
E3. Percentage of electricity purchased as Green Power (%)	0%	0%	0%
E4. Units of office energy used per FTE (MJ/FTE)	127,275	126,126	105,232
E5. Units of office energy used per office area (MJ/m2)	654	618	516

Water

<i>Indicator</i>	2018-19	2017-18	2016-17
W1. Total water consumption (kilolitres)	1,945	2,467	1,028
W2. Units of water used per FTE (kilolitres/FTE)	78	107	47
W3. Units of water used per area (kilolitres/m²)	0.23	0.29	0.12

Paper use

<i>Indicator</i>	2018-19	2017-18	2016-17
P1. Total units of A4 equivalent copy paper used (reams)	232	260	175

OUTPUT STATEMENT

Performance Indicator	Target for the Year	2018-19	% of annual target	2017-18 (Restated)
Audience and Customers				
Attendances				
GPAC	120,000	85,724	71%	98,401
Deakin's Costa Hall	65,000	97,418	150%	78,708
Total	185,000	183,142 *	99%	177,109
GPAC attendances have been impacted by the Stage 2 redevelopment project.				
Hirer Type (at GPAC and Costa Hall)				
GPAC theatre programs	29,703	27,235	92%	32,820
GPAC education programs	13,703	9,391	69%	10,251
Venue hire shows and events - community	116,893	99,094	85%	98,262
Venue hire shows and events - commercial	23,957	46,762	195%	35,299
Education outreach Attendances	744	660	89%	477
Total: (GPAC venues only)	185,000	183,142	99%	177,109
Occupancy				
The Playhouse	70%	58%	83%	73%
Drama Theatre	45%	43%	94%	47%
Deakin's Costa Hall	31%	46%	148%	43%
Number of performances in The Playhouse and Drama Theatre	246	246	100%	304
Online access - No. of visits	400,000	364,918	91%	467,869
Artistic				
Attendances at GPAC Presents by Product Type				
Theatre Season	13,812	9,076	66%	12,117
Musical Mornings	9,057	6,359	70%	8,049
Family Magic	4,799	2,523	53%	6,181
One-off shows and events	2,035	9,277	456%	6,473
Total	29,703	27,235	92%	32,820
Community Engagement Initiatives	20	14	70%	21
Volunteer hours	800	829	104%	1,046
Waived venue hire charges including Costa Hall	\$50,000	\$51,715	103%	\$78,318
Waived venue hire charges - Redevelopment	\$50,000	\$40,695	81%	\$59,980
Community Fundraising Support	\$10,000	\$8,050	81%	\$8,176
Students attending education programs	6,612	6,707	101%	7,560
Regional Leadership				
Progress of GPAC Master Plan	Stage 2 Redevelopment construction to complete	Stage 2 Redevelopment construction near completion	N/A	Ryrie Street Redevelopment ground slab poured
People and Workplace				
Customer satisfaction	98%	97%	99%	98%
Hirer satisfaction				
GPAC	70%	92%	131%	66%
Costa	85%	96%	113%	100%
Staff satisfaction	65%	63%	97%	69%
Staff training program attendances	500	771	154%	695
Number of new business processes developed	4	7	175%	4
Centre Management				
Total revenue (excluding other grants)	\$6,358,644	\$6,278,725	99%	\$4,630,561
Financial result - surplus / (deficit)	\$174,858	\$333,469	191%	(\$649,877)
Sponsorship				
Cash	\$310,546	\$253,909	82%	\$263,438
In-kind	\$150,000	\$160,756	107%	\$160,756
Total	\$460,546	\$414,665	90%	\$424,194

* Budget paper 3 performance indicators.

OTHER INFORMATION

Consultancy Expenditure

For the financial year ended 30 June 2019

Details of consultancies

(valued at \$10 000 or greater)

In 2018-19, there were 2 consultancies where the total fees payable to the consultants were \$10 000 or greater. The total expenditure incurred during 2018-19 in relation to these consultancies is \$112,500 (excluding GST). Details of individual consultancies are outlined below:

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST) \$	Expenditure 2018 19 (excl. GST) \$	Future expenditure (excl. GST) \$
Enterprise Monkey	Digital Business Transformation Project	4-May-18	30-Nov-18	122,400	91,350	-
Australian Workplace Mediations Pty Ltd	Review & optimising of HR/ Workforce	25-Jun-18	14-Sep-18	21,150	21,150	-

Details of consultancies under \$10 000

In 2018-19, there were no consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10 000.

Compliance with Building Act 1993

All building works undertaken by Geelong Arts Centre during the year ended 30 June 2019 comply with current building regulations and the National Construction Code. The Ryrie Street Redevelopment Project is managed by Development Victoria.

Compliance with Competitive Neutrality Policy

Geelong Performing Arts Centre Trust is committed to the implementation of the Victorian Government's Competitive Neutrality Policy.

Local Jobs First

The Local Jobs First Act 2003 introduced in August 2018 requires that the Local Job first policy is enacted in all projects valued at \$1 million or more for projects in regional Victoria. Geelong Arts Centre's \$38.5 million Ryrie Street Redevelopment is well underway and due for completion late 2019. Development Victoria is the project manager.

Correction of personal information

Geelong Arts Centre strives to keep all recorded personal information accurate. Under the Information Privacy Act 2000, one has a right to seek access to information that Geelong Arts Centre holds about that person and correct any parts that are inaccurate, incomplete or out of date.

If a customer wishes to access the personal information that we hold, a request must be made in writing and forwarded to the Privacy Officer. In the interests of protecting the privacy of individuals about whom we hold personal information, we will require that identity is verified. This can be done by enclosing a copy of a form of identification such as a current driver's licence or passport with the written request (this will be returned after the identity has been verified).

Freedom of Information (FOI)

The Freedom of Information Act 1982 allows the public a right of access to documents held by Geelong Performing Arts Centre Trust for the year ended 30 June 2019 no FOI requests were received.

Making a request

Access to documents may be obtained through written request to the Freedom of Information Officer. Section 17 of the Act sets out the formal requirements for making a request. In summary the requirements for making a request are that:

- it should be in writing;
- it should identify as clearly as possible what document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances)

Requests for documents in the possession of Geelong Arts Centre should be addressed as follows:

Freedom of Information Officer, Geelong Performing Arts Centre Trust, PO Box 991 Geelong VIC 3220

Freedom of information contact

Ahmer Jalil Ph: 03 5225 1212

Access charges may also apply once documents have been processed and a decision on access made; for example: photocopying and search and retrieval charges. Further information regarding Freedom of Information can be found on FOI Online, www.foi.vic.gov.au

Information available on request

The following information has been prepared and is retained by the Trust and can be made available to the Minister for Creative Industries, Members of Parliament and the public.

- (a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- (b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary
- (c) details of publications produced by the entity about the entity and the places where the publications can be obtained
- (d) details of changes in prices, fees, charges, rates and levies charged by the entity
- (e) details of any major external reviews carried out on the entity
- (f) details of major research and development activities undertaken by the entity
- (g) details of overseas visits undertaken including a summary of objectives and outcomes of each visit
- (h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and the services it provides
- (i) details of assessments and measures taken to improve the occupational health and safety of employees
- (j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes
- (k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved
- (l) details of all consultancies and contractors including: (i) consultants/contractors engaged; (ii) services provided; and (iii) expenditure committed to, for each agreement.

It is not necessary to lodge a Freedom of Information request to obtain the information. To ensure that Geelong Arts Centre is meeting its accountability and compliance requirements, some of the additional information has been included in this Annual Report where relevant.

A request for the information may be made to the CEO by telephone to 03 5225 1213; or in writing to the following address:

CEO, The Centre, PO Box 991 Geelong VIC 3220; or by email to admin@geelongartscentre.org.au for the attention of the Chief Operating Officer.

Compliance with the Protected Disclosure Act 2012

Geelong Arts Centre is not a public body to which disclosures may be made. Disclosures of improper conduct or detrimental action relating to Geelong Arts Centre should generally be made to the Independent Broad-based Anti-Corruption Commission (IBAC). Further information about making disclosures to

the IBAC can be found at www.ibac.vic.gov.au. As required by s.58(5) of the Act, of the Act, Geelong Arts Centre procedures for protecting people who make protected disclosures from detrimental action by Geelong Arts Centre or its staff are available at www.geelongartscentre.org.au

The Protected Disclosure Act 2012 (the Act) is a new scheme for protecting people who make disclosures about improper conduct in the public sector. Geelong Arts Centre is committed to the aims and objectives of the Act.

In particular, Geelong Arts Centre does not tolerate improper conduct by its staff or the taking of reprisals against those who come forward to disclose such conduct. During the 2018 – 2019 financial year :-

- (a) Geelong Arts Centre did not receive any disclosures under that Act;
- (b) Geelong Arts Centre did not refer any disclosures to the Ombudsman to determine whether they were public interest disclosures;
- (c) the Ombudsman did not refer any disclosures to Geelong Arts Centre;
- (d) Geelong Arts Centre did not refer any disclosures to the Ombudsman to investigate;
- (e) the Ombudsman did not take over any investigations of disclosures from Geelong Arts Centre;
- (f) Geelong Arts Centre did not make a request under section 74 of that Act to the Ombudsman to investigate disclosures;
- (g) Geelong Arts Centre did not decline to investigate a disclosure;
- (h) there were no disclosures that were substantiated on investigation and there was no requirement to take action on completion of an investigation; and
- (i) the Ombudsman has not made a recommendation under that Act that relates to Geelong Arts Centre

Fees and charges

Hiring charges and booking fees were increased to cover the increased cost of providing these services. Increases were made to the cost of venue labour in line with wage increases. When charging for services The Centre complies with National Competition Policy by charging fair market prices for all services provided.

Government advertising expenditure

Government advertising expenditure in excess of \$100,000 – not applicable as expenditure is below \$100,000.

ICT Expenditure

For the 2018-19 reporting period, Geelong Arts Centre had a total ICT expenditure as shown below.

All operational ICT expenditure Business as Usual (BAU) ICT expenditure	ICT expenditure related to projects Non-Business As Usual (non BAU) ICT expenditure	Operational Expenditure	ICT Capabilities Capital Expenditure
(Total)	(Total = Operating and Capital expenditure)		
\$157,586	\$376,385	\$235,743	\$140,642

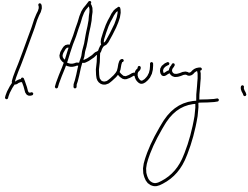
ICT expenditure refers to Geelong Arts Centre's costs in providing business enabling ICT services within the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non Business As Usual (Non BAU) ICT expenditure. Non BAU ICT expenditure includes ICT Strategy project which relates to extending or enhancing Geelong Arts Centre's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Geelong Performing Arts Centre Trust's five year financial summary

Five year financial summary	2019	2018 Restated	2017 Restated	2016	2015
	\$	\$	\$	\$	\$
Income from government	22,304,692	13,755,489	2,830,762	2,172,475	1,021,496
Total income from transactions	26,332,417	17,392,050	6,612,858	5,975,588	4,276,404
Total expenses from transactions	(6,465,788)	(5,675,978)	(5,182,674)	(4,389,881)	(4,208,493)
Net result from transactions before depreciation	19,866,629	11,716,072	1,430,184	1,585,707	67,911
Net result for the period	18,459,463	10,326,942	50,256	521,370	(1,062,881)
Operational result	333,469	(649,877)	(122,369)	540,911	39,415
Net cash flow from operating activities	19,948,001	12,075,245	1,985,282	987,239	252,209
Total assets	65,724,592	46,522,033	33,238,783	32,312,717	25,464,498
Total liabilities	2,989,228	2,246,133	2,183,825	2,066,487	1,747,609

Attestation for financial management compliance with Ministerial Standing Direction 5.1.4

I, Lesley Alway, on behalf of the the Geelong Performing Arts Centre Trust, certify that the Trust has complied with the applicable Standing Directions 2018 under the Financial Management Act 1994 and Instructions.

A handwritten signature in black ink, appearing to read 'L Alway', with a stylized flourish at the end.

Lesley Alway
Chair
Geelong Performing Arts Centre Trust
24 October 2019

FINANCIAL OVERVIEW

The net result from transactions before depreciation for Geelong Performing Arts Centre Trust (GPACT) for the year ended 30 June 2019 is a surplus of \$19.866m, which includes grant income for the Ryrie Street Redevelopment with associated costs being capitalised as asset under construction costs.

The comprehensive result for the year was a surplus of \$18,459,620 which comprises:

- Net result from transactions before depreciation of \$19,866,629
- Depreciation expense of \$1,407,009 and other economic flows of \$157

Financial statements have been adjusted to address inconsistent treatment of funding transactions between the Department of Jobs, Precincts and Regions (DJPR), Development Victoria (DV) and GPACT. The funding and corresponding asset for the Ryrie Street Redevelopment project had not been accounted for in GPACT's financial statements which affected the 2016-17 and 2017-8 financial years. Following agreement between the parties and due to the material impact of the transactions on GPACT, prior period financial statements have been restated to reflect the related grant income, contributed capital, assets under construction and prepayments to Development Victoria associated with the redevelopment. To support the recognition of the accounting adjustments for the capital works that took place, GPACT received a certified cost statement from Development Victoria. During the construction, governance and internal controls were in place for the project overseen by a Project Steering Committee.

Operating activities

GPACT operations for 2018-19 were affected by significant disruption due to the ongoing construction of the Ryrie Street Redevelopment project. Despite the disruption that impacted attendances and customer satisfaction that were slightly behind target due to the unavailability of theatre and hospitality facilities, GPACT successfully delivered the major Theatre season program, Family Magic and Musical Mornings and also contributed to the community with Curious Mechanics, Geelong after dark, White Night and other one-off events.

GPACT received additional operational funding from 1 July 2018, that was prudently utilised to optimise the organisational structure, undertake digital transformation projects and improve business processes. These projects have enabled GPACT to operate with greater efficiency and effectiveness, while preparing the Centre for operating its expanded and enhanced facilities in the future.

In 2018-19, total income from transactions increased by \$8.940m, an increase of 51.4%, on the prior year. Key reasons for this include:

- Increase in grant income from State Government.
 - o Grant income of \$20.025m including funding for Ryrie Street Redevelopment
 - o Increase in operational funding by \$1.257m
- Increase in fundraising activities by \$679k
- Reduction in operating activities income \$297k due to impact of ongoing Ryrie Street Redevelopment project.

Total expenses from transactions increased by \$789k or 13.9% to prior year. Key drivers include:

- An increase in employee expenses of \$440k, supported by additional funding to implement a new organisational structure and fund additional jobs.
- Supplies and services increased by \$224k
- Redevelopment project expenses increased by \$125k as the project work progressed in 2018-19.

Operational result

GPACT's operational result before depreciation is a surplus of \$333k, after excluding the impact of other grant income related to Ryrie Street Redevelopment (\$20.05m) and project expenses (\$520k). With a \$128m commitment towards Stage 3 in the 2019-20 State Budget and increased operational funding of \$1.257m per annum, the Trust and management are undertaking detailed strategic and business planning with the aim of maintaining surplus budgets upon completion of Geelong Arts Centre's Stage 3 redevelopment.

FINANCIAL STATEMENTS

DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for Geelong Performing Arts Centre Trust (GPACT) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, the *Australian Charities and Not-for-profit Commission Act 2012* and the *Australian Charities and Not-for-profit Commission Regulations 2013*, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and financial position of GPACT at 30 June 2019.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 24 October 2019.



Lesley Alway

Chair of the Trust



Joel McGuinness

Chief Executive Officer



Ahmer Jalil

Chief Finance Officer

Auditor-General's Independence Declaration

To the Trustees, the Geelong Performing Arts Centre Trust

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for the Geelong Performing Arts Centre Trust for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.



MELBOURNE
28 October 2019

Simone Bohan
as delegate for the Auditor-General of Victoria

Independent Auditor's Report

To the Trustees of Geelong Performing Arts Centre Trust

Opinion	<p>I have audited the financial report of Geelong Performing Arts Centre Trust (the trust) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2019 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion the financial report is in accordance with Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> • presenting fairly, in all material respects, the financial position of the trust as at 30 June 2019 and of its financial performance and its cash flows for the year then ended • complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the trust in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Trustees' responsibilities for the financial report	<p>The Trustees of the trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 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 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 the purpose of expressing an opinion on the effectiveness of the trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees
- conclude on the appropriateness of the Trustees' 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 trust'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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the trust 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 Trustees 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.

I also provide the Trustees with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
28 October 2019



Simone Bohan
as delegate for the Auditor-General of Victoria

Geelong Performing Arts Centre Trust
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For the financial year ended 30 June 2019

How this report is structured

Geelong Performing Arts Centre Trust (GPACT) has presented its audited general purpose financial statements for the financial year ended 30 June 2019 in the following structure to provide users with the information about GPACT's stewardship of resources entrusted to it.

Financial statements		Comprehensive operating statement Balance sheet Cash flow statement Statement of changes in equity
Notes to the financial statements	1.	About this report The basis on which the financial statements have been prepared and compliance with reporting regulations
	2.	Funding delivery of our services Revenue recognised from grants, sales of goods and services and other sources
	2.1	Summary of income that funds the delivery of our services
	2.2	Income from transactions
	3.	The cost of delivering services Operating expenses of GPACT
	3.1	Summary of expenses incurred in delivery of our services
	3.2	Employee benefits
	3.3	Supplies and services
	4.	Key assets available to support output delivery Land, property, plant, equipment and vehicles
	4.1	Property, plant and equipment
	4.2	Depreciation
	5.	Other assets and liabilities Working capital balances and other key assets and liabilities
	5.1	Receivables
	5.2	Payables
	5.3	Other non-financial assets
	6.	How we financed our operations Cash flow information, leases and commitments for expenditure and unspent Government capital grants
	6.1	Cash flow information and balances
	6.2	Commitments for expenditure
	7.	Risks, contingencies and valuation judgements Financial risk management, contingent assets and liabilities as well as fair value determination
	7.1	Financial instruments specific disclosures
	7.2	Contingent assets and contingent liabilities
	7.3	Fair value determination
	8.	Other disclosures Reserves
	8.1	Reserves
	8.2	Changes in Accounting Policies
	8.3	Responsible persons
	8.4	Remuneration of executive officers
	8.5	Related parties
	8.6	Remuneration of auditors
	8.7	Prior period adjustment
	8.8	Subsequent events
	8.9	Australian Accounting Standards issued that are not yet effective

Geelong Performing Arts Centre Trust
Comprehensive Operating Statement
For the financial year ended 30 June 2019

COMPREHENSIVE OPERATING STATEMENT	Notes	2019 \$	2018 Restated \$
Income from transactions			
State Government - recurrent appropriations	2.2.1	2,251,000	994,000
Other grants from State Government entities	2.2.2	20,053,692	12,761,489
Operating activities income	2.2.3	2,917,845	3,214,865
Fundraising activities income	2.2.4	1,052,122	372,937
Interest income	2.2.5	57,758	48,759
Total income from transactions		26,332,417	17,392,050
Expenses from transactions			
Employee benefits	3.2.1	3,368,750	2,928,649
Supplies and services	3.3	2,576,506	2,351,789
Redevelopment project expenses		520,532	395,540
Depreciation of property, plant and equipment	4.2	1,407,009	1,385,183
Total expenses from transactions		7,872,797	7,061,161
Net result from transactions		18,459,620	10,330,889
Other economic flows included in net result			
Net loss on non-financial assets	8.1(d)	(157)	(3,947)
Total other economic flows included in net result		(157)	(3,947)
Net result		18,459,463	10,326,942
COMPREHENSIVE RESULT		18,459,463	10,326,942

The accompanying notes form part of these financial statements.

Geelong Performing Arts Centre Trust
Balance Sheet
As at 30 June 2019

BALANCE SHEET	Notes	2019 \$	2018 Restated \$	01-Jul-17 Restated \$
ASSETS				
Financial assets				
Cash and cash equivalents	6.1	4,902,599	3,289,992	2,994,767
Receivables	5.1	1,024,375	371,329	694,301
Total financial assets		5,926,974	3,661,321	3,689,068
Non-financial assets				
Inventories		11,633	10,099	18,869
Other assets	5.3	9,353,271	9,865,293	131,415
Property, plant and equipment	4.1	50,432,714	32,985,320	29,399,431
Total non-financial assets		59,797,618	42,860,712	29,549,715
TOTAL ASSETS		65,724,592	46,522,033	33,238,783
LIABILITIES				
Payables	5.2	2,495,233	1,734,976	1,612,309
Employee related provisions	3.2.2	493,995	511,157	571,516
Total liabilities		2,989,228	2,246,133	2,183,825
NET ASSETS		62,735,364	44,275,900	31,054,958
EQUITY				
Contributed capital	8.1(a)	17,483,911	17,483,911	14,589,911
Physical asset revaluation surplus	8.1(b)	21,996,957	21,996,957	21,996,957
Reserves - programming	8.1(c)	49,426	49,426	49,426
Accumulated surplus \ (deficit)	8.1(d)	23,205,070	4,745,606	(5,581,336)
TOTAL EQUITY		62,735,364	44,275,900	31,054,958

The accompanying notes form part of these financial statements.

Geelong Performing Arts Centre Trust
Cash Flow Statement
For the financial year ended 30 June 2019

CASH FLOW STATEMENT	Notes	2019 \$	2018 Restated \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from government		21,685,178	13,915,006
Receipts from other entities		3,889,570	3,965,440
Interest received		59,015	47,259
Goods and services tax paid to the ATO		(21,875)	(20,793)
Payments to suppliers and employees		(5,663,887)	(5,831,667)
NET CASH FLOWS FROM OPERATING ACTIVITIES	6.1.1	19,948,001	12,075,245
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(18,854,561)	(4,992,596)
Prepayment for property, plant and equipment		519,167	(9,699,001)
Proceeds from sale of property, plant and equipment		-	17,577
NET CASH FLOW USED IN INVESTING ACTIVITIES		(18,335,394)	(14,674,020)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital contributions by State Government	8.1(a)	-	2,894,000
NET CASH FLOW FROM FINANCING ACTIVITIES		-	2,894,000
NET INCREASE IN CASH HELD		1,612,607	295,225
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		3,289,992	2,994,767
CASH & CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	6.1	4,902,599	3,289,992

The accompanying notes form part of these financial statements.

Geelong Performing Arts Centre Trust
Statement of Changes in Equity
For the financial year ended 30 June 2019

STATEMENT OF CHANGES IN EQUITY	Notes	Contributed capital	Physical asset revaluation surplus	Reserves programming	Accumulated deficit \ surplus	Total
		\$	\$	\$	\$	\$
Balance at 30 June 2017 (restated)		14,589,911	21,996,957	49,426	(5,581,336)	31,054,958
Net result for the year		-	-	-	10,326,942	10,326,942
Capital contributions by State Government	8.1(a)	2,894,000	-	-	-	2,894,000
Balance at 30 June 2018 (Restated)		17,483,911	21,996,957	49,426	4,745,606	44,275,900
Net result for the year		-	-	-	18,459,463	18,459,463
Balance at 30 June 2019		17,483,911	21,996,957	49,426	23,205,070	62,735,364

The accompanying notes form part of these financial statements.

1. ABOUT THIS REPORT

Geelong Performing Arts Centre Trust (GPACT) is an arts agency in the Victorian State Government's Creative Industries portfolio, responsible to the Minister for Creative Industries through Creative Victoria in the Department of Jobs, Precincts and Regions (DJPR). GPACT was established by the *Geelong Performing Arts Centre Act 1980*, Act No. 9406/1980.

A description of the nature of its operations and its principal activities is included in the Report of operations, which does not form part of these financial statements.

Its principal address is:

Geelong Performing Arts Centre Trust (GPACT)
50 Little Malop Street,
Geelong VIC 3220

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of GPACT. Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

The financial statements cover GPACT as an individual reporting entity and include all the controlled activities of GPACT.

All amounts in the financial statements have been rounded to the nearest \$ unless otherwise stated.

Compliance Statement

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)*, the *Australian Charities and Not-for-profit Commission Act 2012* and the *Australian Charities and Not-for-profit Commission Regulations 2013* and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

GPACT is a major arts centre entertaining, informing, inspiring and challenging a broad audience with a distinctive and diverse artistic footprint.

GPACT is funded by accrual-based parliamentary appropriations, operating activities income and fundraising activities income for the provision of outputs. Operating activities income includes box office, venue hire, booking fees, food and beverages operations and management fees. Fundraising activities income includes donations, sponsorship and fundraising.

Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Income from transactions

2.1 SUMMARY OF INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

	Notes	2019 \$	2018 Restated \$
State Government - recurrent appropriations	2.2.1	2,251,000	994,000
Other grants from State Government entities	2.2.2	20,053,692	12,761,489
Operating activities income	2.2.3	2,917,845	3,214,865
Fundraising activities income	2.2.4	1,052,122	372,937
Interest Income	2.2.5	57,758	48,759
Total income from transactions		26,332,417	17,392,050

Income is recognised to the extent it is probable the economic benefits will flow to GPACT and the income can be reliably measured. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

2.2 INCOME FROM TRANSACTIONS

2.2.1 STATE GOVERNMENT - RECURRENT APPROPRIATIONS

	2019 \$	2018 \$
State Government - recurrent appropriations	2,251,000	994,000
Total State Government - recurrent appropriations	2,251,000	994,000

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to GPACT without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence. Some grants are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider). GPACT recognises income when it has satisfied its performance obligations under the terms of the grant.

For non-reciprocal grants, GPACT recognises revenue when the grant is received.

Grants can be received as general purpose grants, which refers to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

Geelong Performing Arts Centre Trust
Notes to the financial statements
For the financial year ended 30 June 2019

2.2.2 OTHER GRANTS FROM STATE GOVERNMENT ENTITIES	Notes	2019	2018
		\$	Restated \$
DJPR Operating Grant	8.7	20,025,217	12,733,014
Department of Education and Training		28,475	28,475
Total other grants from State Government entities		20,053,692	12,761,489

Operating grant received from Department of Jobs, Precincts and Regions (DJPR) includes funding to support the Ryrie Street Redevelopment Project costs.

Please also refer to policy disclosure note in 2.2.1 above.

2.2.3 OPERATING ACTIVITIES INCOME	2019	2018
	\$	\$
Box office	516,947	724,768
Venue hire	1,179,541	1,244,469
Booking fees	558,309	536,106
Management fees	89,050	84,255
Food and beverage sales	569,419	608,606
Other revenue	4,579	16,661
Total operating activities income	2,917,845	3,214,865

Key income areas are as follows:

- Box office and venue hire income are recognised at the completion of each event or each show's final performance.
- Booking fees income is recognised at the time tickets are sold.
- Management fees, food and beverage sales and other revenue are recognised in the reporting period in which the service was provided.

2.2.4 FUNDRAISING ACTIVITIES INCOME	2019	2018
	\$	\$
Sponsorship and fundraising	341,695	351,697
Endowment Fund <i>Arts for Life</i> donations	710,427	21,240
Total fundraising activities income	1,052,122	372,937

Sponsorship and fundraising income is recognised as income over the period during which the contractual and servicing obligations of GPACT are discharged.

Donations income is recognised on receipt. Donations to the Endowment Fund *Arts for Life* fundraising campaign are invested for the purposes of generating income to support future artistic programs. Capital donations to the Endowment Fund are invested to support GPACT's redevelopment.

2.2.5 INTEREST INCOME	Notes	2019	2018
		\$	\$
Interest - bank deposits		57,758	48,759
Total interest income		57,758	48,759

Interest income includes interest received on bank term deposits. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by GPACT in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with provision of services are recorded.

3.1	Structure Summary of expenses incurred in delivery of services
3.2	Employee benefits
3.3	Supplies and services

3.1 SUMMARY OF EXPENSES INCURRED IN DELIVERY OF OUR SERVICES

	Notes	2019 \$	2018 \$
Employee benefits	3.2.1	3,368,750	2,928,649
Supplies and services	3.3	2,576,506	2,351,789
Redevelopment project expenses		520,532	395,540
Total expenses incurred in delivery of services		6,465,788	5,675,978

3.2 EMPLOYEE BENEFITS

3.2.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT

	2019 \$	2018 \$
Salaries and wages, annual leave and long service leave	3,092,657	2,679,303
Superannuation contribution	276,093	249,346
Total employee benefits	3,368,750	2,928,649

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount charged to the comprehensive operating statement in respect of superannuation represents contributions made or due by GPACT to the relevant superannuation plans in respect to the services of GPACT's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that GPACT must comply with.

3.2.2 EMPLOYEE BENEFITS IN THE BALANCE SHEET

	2019 \$	2018 \$
Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.		
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	49,389	9,922
Unconditional and expected to settle after 12 months	50,253	117,966
Long service leave		
Unconditional and expected to settle within 12 months	15,845	18,776
Unconditional and expected to settle after 12 months	183,562	207,976
	299,049	354,640
Provision for on-costs		
Unconditional and expected to settle within 12 months	17,740	5,787
Unconditional and expected to settle after 12 months	41,925	66,631
	59,665	72,418
Total current provisions for employee benefits	358,714	427,058
Non-current provisions		
Employee benefits	118,399	73,604
On-costs	16,882	10,495
Total non-current provisions for employee benefits	135,281	84,099
Total provisions for employee benefits	493,995	511,157

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Reconciliation of movements in provisions	On costs \$	Employee benefits \$	Total \$
Opening balance	82,913	428,244	511,157
Additional provisions recognised	63,163	261,344	324,507
Reductions arising from payments	(69,529)	(272,140)	(341,669)
Closing balance	76,547	417,448	493,995
Current	59,665	299,049	358,714
Non-current	16,882	118,399	135,281
Total provisions for employee benefits	76,547	417,448	493,995

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because GPACT does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As GPACT expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as GPACT does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Long service leave

Liability for LSL is recognised in the provision for employee benefits.

Unconditional LSL is disclosed as a current liability; even where GPACT does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if the GPACT expects to wholly settle within 12 months; or
- present value – if the GPACT does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Superannuation

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by GPACT to the relevant superannuation plans in respect to the services of GPACT's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that GPACT is required to comply with.

GPACT's obligations for superannuation contributions are recognised as an expense in the operating statement when they are due.

Contributions by GPACT (excluding any unfunded liability payments) to the superannuation plans for the financial year ended 30 June 2019 are detailed below:

Scheme	Type of Scheme	Rate	2019 \$	2018 \$
Vision Super	Defined Benefit	9.50%	8,646	7,753
Vision Super	Accumulation	9.50%	111,834	112,847
Australian Super	Accumulation	9.50%	48,749	44,319
Hostplus	Accumulation	9.50%	32,460	12,828
Other	Accumulation	9.50%	74,728	73,446
			276,417	251,193

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2019.

Superannuation

GPACT makes its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

(i) Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings. For the year ended 30 June 2019, this was 9.5% as required under Superannuation Guarantee (SG) legislation.

(ii) Defined benefit

GPACT does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of GPACT in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

(iii) Funding arrangements

GPACT makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit Category. The vested benefit index (VBI) of the Defined Benefit category of which GPACT is a contributing employer was 106.0%. The financial assumptions used to calculate the VBIs were:

- Net investment returns 6.0% pa;
- Salary information 3.5% pa; and
- Price inflation (CPI) 2.0% pa.

Vision Super has advised that the estimated VBI at 30 June 2019 was 107.1%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

(iv) Employer contributions

Regular contributions

On the basis of the results of the 2018 interim actuarial investigation conducted by the Fund Actuary, GPACT makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017/2018).

This rate will increase in line with any increases in the SG contribution rate.

In addition, GPACT reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including GPACT) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and the post-30 June 1993 service liabilities of the Fund's Defined category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

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(v) 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for n the Defined Benefit category of which GPACT is a contributing employer: Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as a 30 June 2017.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which GPACT is a contributing employer:

	2018	2017
	\$m	\$m
A VBI Surplus	\$131.9	\$69.8
A total Service liability surplus	\$218.3	\$193.5
A discounted accrued benefits surplus	\$249.1	\$228.8

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2017.

The discounted accrued benefit surplus means that current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2018.

GPACT was notified of the 30 June 2018 VBI during August 2018. (2017: August 2017)

The 2019 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2019 as the Fund provides lifetime pensions in the Defined Benefit Category. It is anticipated that this actuarial investigation will be completed by October 2019.

3.3 SUPPLIES AND SERVICES	Notes	2019 \$	2018 \$
Trading			
GPAC programs		632,260	744,983
Education programs		132,477	119,596
Marketing		105,874	29,408
Food and beverage		250,355	288,285
Operating		209,149	220,226
Buildings and facilities			
Repairs and maintenance		275,174	170,222
Utilities		219,104	207,018
Administration and finance			
Consultants & contractors		314,805	216,317
Staff training		76,622	27,272
Office supplies and communication		128,199	129,984
Information technology		113,479	71,750
Audit	8.6	32,000	28,400
Bad debts		7,455	8,817
Impairment of investments		-	5,770
Insurance		68,392	74,768
Lease expense		11,161	8,973
Total supplies and services		2,576,506	2,351,789

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

GPACT controls infrastructure utilised in fulfilling its objectives, conducting its activities and entrusted to it for the delivery of those outputs.

4.1

4.2

Structure

Property, plant and equipment

Depreciation

Significant judgement: Classification of investments as 'key assets'

GPACT has made the judgement that investments are key assets utilised to support GPACT's objectives and outputs.

Fair value measurement

Where the assets included in this section are carried at fair value, information is disclosed below and in Note 7.3 in connection with how those fair values were determined.

4.1 PROPERTY, PLANT AND EQUIPMENT	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
Land at fair value	4,760,000	4,760,000	-	-	4,760,000	4,760,000
Buildings at fair value	21,754,832	21,660,100	(3,737,763)	(2,487,805)	18,017,069	19,172,295
Plant, equipment and vehicles at fair value	3,216,244	2,873,591	(2,137,356)	(2,014,312)	1,078,888	859,279
Assets under construction at cost	26,576,757	8,193,746	-	-	26,576,757	8,193,746
Net carrying amount	56,307,833	37,487,437	(5,875,119)	(4,502,117)	50,432,714	32,985,320

Initial recognition: Items of property, plant and equipment (PPE), are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent measurement: PPE is subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants.

For the majority of GPACT's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

Vehicles are valued using the current replacement cost method. GPACT acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by GPACT by setting relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for **plant and equipment** that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

Land and buildings were revalued at fair value by the Valuer General Victoria, as at 30 June 2016. The revaluations were undertaken in accordance with the *Financial Management Act 1994* to comply with the Victorian Auditor General's requirements and in conformity with: *AASB13 Fair Value Measurement*, *AASB116 Property, Plant and Equipment*; *AASB136 Impairment of Assets*; *FRD103F Non-financial physical assets*; International Valuation Applications 3 Valuations of Public Sector Assets for Financial Reporting and Australian Property Institute Valuation Guideline Notes AVGN1 Valuation for Use in Australian Financial Reports and AVGN2 Valuation for Insurance Purposes. GPACT intends to undergo revaluation exercise of its land and building on completion of the ongoing redevelopment project.

The construction contract for GPACT Ryrie Street Redevelopment was novated to Development Victoria (DV) in 2017. Construction cost is transferred to GPACT from Development Victoria on the basis of completed work of the project at each reporting date.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

Reconciliation of movements in carrying amount of property, plant, equipment and vehicles and level 3 assets

	Notes	Land at fair value \$ (Level 3)	Buildings at fair value \$ (Level 3)	Plant, equipment and vehicles \$ (Level 3)	Assets under construction \$	Total \$
Carrying amount at 1 July 2017 (restated)	8.7	4,760,000	20,415,955	948,791	3,274,685	29,399,431
Additions		-	-	73,535	4,919,061	4,992,596
Disposals		-	-	(28,443)	-	(28,443)
Depreciation		-	(1,243,660)	(141,523)	-	(1,385,183)
Depreciation on disposal		-	-	6,919	-	6,919
Carrying amount at 30 June 2018		4,760,000	19,172,295	859,279	8,193,746	32,985,320
Additions		-	-	376,817	18,477,743	18,854,560
Transfers		-	94,732	-	(94,732)	-
Disposals		-	-	(34,163)	-	(34,163)
Depreciation		-	(1,249,958)	(157,051)	-	(1,407,009)
Depreciation on disposal		-	-	34,006	-	34,006
Carrying amount at 30 June 2019		4,760,000	18,017,069	1,078,888	26,576,757	50,432,714

Description of significant unobservable inputs to Level 3 valuations

2019 and 2018	Valuation technique	Significant unobservable inputs	Weighted average	Sensitivity of fair value measured to changes in significant unobservable inputs
Specialised land	Market/Direct Comparison Approach adjusted for unobservable inputs (CSO)	Community Service Obligation discount - 30%	\$1,587 - \$2,023 (\$1,550) per sqm	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised buildings	Depreciated replacement cost	Replacement cost per square metre	\$1,971 / sqm	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Remaining life of specialist buildings	1 - 25 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower value.

GPACT undertook a land and building revaluation as at 30 June 2016. The valuation included a greater area than was used in the previous valuation. Resulting in a decrease in the average \$ sqm. The valuation also realised a change in remaining life to 15-25 years.

Impairment: Non-financial assets, including items of property, plant and equipment are tested for impairment whenever there is an indication that the asset may be impaired.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

4.2 DEPRECIATION	Public safety and environment	
	2019	2018
	\$	\$
Charge for the period		
Buildings	1,249,958	1,243,660
Plant, equipment and vehicles	157,051	141,523
Total depreciation	1,407,009	1,385,183

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under operating leases and land.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life (Years)
Buildings	30 to 60
Plant, equipment and vehicles (including leased assets)	3 to 20

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

5. OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from the GPACT's controlled operations.

5.1	Receivables
5.2	Payables
5.3	Other non-financial assets

Structure

5.1 RECEIVABLES	2019 \$	2018 \$
Contractual		
Sale of goods and services	257,915	300,996
Accrued interest on bank deposits	1,432	2,689
Other receivables	72,028	57,094
Statutory		
Amount owed by DJPR	693,000	-
Net GST receivable	-	10,550
Total receivables	1,024,375	371,329
Represented by:		
Current receivables	1,024,375	371,329
Non-current receivables	-	-
Total receivables	1,024,375	371,329

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. GPACT holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. GPACT applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about GPACT impairment policies, GPACT's exposure to credit risk, and the calculations of the loss allowance are set out in note 7.1.3

Ageing analysis of contractual receivables*

	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 month	1 3 months	3 months – 1 year	1 – 5 years
2019						
Sale of goods and services	257,915	171,371	47,520	7,298	31,726	-
Accrued investment income	1,432	1,432	-	-	-	-
Other receivables	72,028	72,028	-	-	-	-
Total	331,375	244,831	47,520	7,298	31,726	-
2018						
Sale of goods and services	300,996	166,051	17,525	4,625	112,795	-
Accrued investment income	2,689	2,689	-	-	-	-
Other receivables	57,094	57,094	-	-	-	-
Total	360,779	225,834	17,525	4,625	112,795	-

* The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government Department and GST input tax credit recoverable)

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5.2 PAYABLES	Notes	2019 \$	2018 \$
Contractual			
Supplies and services		623,984	344,090
Venue hire deposits	(i)	105,040	103,850
Tickets sold in advance	(ii)	1,057,981	834,840
Income in advance		647,482	400,854
Statutory			
Net GST payable		3,788	
Other taxes payable		56,958	51,342
Total payables		2,495,233	1,734,976
Represented by			
Current payables		2,495,233	1,734,976
Non-current payables		-	-
Total payables		2,495,233	1,734,976

Payables consist of:

Contractual payables, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to GPACT prior to the end of the financial year that are unpaid; and

Statutory payables, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

(i) Cash held for venue hire deposits is only available after the relevant event.

(ii) Cash held in the box office bank account is held in trust for the ticket purchaser and can only be made available to the Presenter (ticketing receipts) and GPACT (ticketing fees) after the relevant event has occurred.

Maturity analysis of contractual payables

	Carrying amount	Maturity dates				
		Less than 1 month	1 3 months	3 months– 1 year	1 5 years	5+ years
2019						
Supplies and services	623,984	623,984	-	-	-	-
Venue hire deposits	105,040	5,450	-	99,590	-	-
Tickets sold in advance	1,057,981	136,860	284,756	636,365	-	-
Income in advance	647,482	-	-	647,482	-	-
Total	2,434,487	766,294	284,756	1,383,437	-	-
2018						
Supplies and services	344,090	344,090	-	-	-	-
Venue hire deposits	103,850	14,350	9,500	80,000	-	-
Tickets sold in advance	834,840	142,146	290,872	401,822	-	-
Income in advance	400,854	-	-	400,854	-	-
Total	1,683,634	500,586	300,372	882,676	-	-

5.3 OTHER NON-FINANCIAL ASSETS	Notes	2019 \$	2018 Restated \$
Prepayments		258,638	251,493
Prepayments for redevelopment project	8.7	9,094,633	9,613,800
Total other non-financial assets		9,353,271	9,865,293

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term beyond that period. This also includes prepayments made to Development Victoria for the Ryrie Street redevelopment project.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by GPACT during its operations, along with other information related to financing activities of GPACT.

Structure

6.1	Cash flow information and balances
6.2	Commitments for expenditure

This section includes disclosures of balances that are financial instruments. Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

6.1 CASH FLOW INFORMATION AND BALANCES

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	Notes	2019 \$	2018 \$
Cash on hand		4,900	4,900
Cash at bank	(i) & (ii)	2,821,564	1,394,747
Term deposits	(i) & (ii)	2,076,135	1,890,345
Cash and cash equivalents at end of financial year		4,902,599	3,289,992

(i) Cash held in the box office bank account is held in trust for the ticket purchaser and can only be made available to the Presenter (ticketing receipts) and GPACT booking fees after the relevant event has occurred.

(ii) Cash held includes the following specific purpose funds: Reserves - programming \$49,426 (2018: \$49,426), unspent Government grants \$1,496,530 (2018: \$410,054) and the Endowment Fund \$1,251,691 (2018: \$1,260,247).

6.1.1 Reconciliation of net result for the period to cash flow from operating activities

	2019 \$	2018 Restated \$
Net result for the period	18,459,463	10,326,942
Non-cash movements:		
Depreciation	1,407,009	1,385,183
Loss on disposal of non-current assets	157	3,947
Movements in assets and liabilities:		
(Increase) / decrease in receivables	(1,168,423)	322,972
(Increase) / decrease in Inventories	(1,534)	8,770
(Increase) in other assets	512,022	(34,877)
Increase in payables	756,469	122,667
(Decrease) / increase in employee related provisions	(17,162)	(60,359)
Net cash inflow from operating activities	19,948,001	12,075,245

6.2 COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

Nominal amounts	Less than	1–5	5+	Total
2019	1 year	years	years	
Operating lease commitments payable	15,385	36,203	-	51,588
Operating commitments payable	1,646,183	-	-	1,646,183
Capital expenditure commitments payable	11,539,055	-	-	11,539,055
Total commitments (inclusive of GST)	13,200,623	36,203	-	13,236,826
Less GST recoverable from the Australian Tax Office	1,200,057	3,291	-	1,203,348
Total commitments (exclusive of GST)	12,000,566	32,912	-	12,033,478

2018				
Operating lease commitments payable	20,783	29,278	-	50,061
Operating commitments payable	227,392	223,667	-	451,059
Capital expenditure commitments payable	21,755,544	11,669,550	-	33,425,094
Total commitments (inclusive of GST)	22,003,719	11,922,495	-	33,926,214
Less GST recoverable from the Australian Tax Office	2,000,338	1,083,863	-	3,084,201
Total commitments (exclusive of GST)	20,003,381	10,838,632	-	30,842,013

Operating lease commitments relate to office equipment and building facilities with lease terms between two and five years. These contracts do not allow GPACT to purchase the facilities after the lease ends, but GPACT can renew the lease for a further period agreeable to both parties.

6.2.1 COMMITMENTS

	2019	2018
	Nominal value (incl. GST)	Nominal value (incl. GST)
Operating lease commitments	51,588	50,061
Operating commitments	1,646,183	451,059
Capital expenditure commitments	11,539,055	33,425,094
Total commitments	13,236,826	33,926,214

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

GPACT is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for GPACT relates mainly to fair value determination.

7.1	Financial instruments specific disclosures
7.2	Contingent assets and contingent liabilities
7.3	Fair value determination

Structure

7.1 FINANCIAL INSTRUMENTS SPECIFIC DISCLOSURES

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of GPACT's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

From 1 July 2018, GPACT applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Categories of financial assets under AASB 9

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by GPACT to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

GPACT recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

Categories of financial assets previously under AASB 139

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). GPACT recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method. GPACT recognises the following liabilities in this category:

- payables (excluding statutory payables)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- GPACT retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- GPACT has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where GPACT has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of GPACT's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when GPACT business model for managing its financial assets has changes such that its previous model would no longer apply.

7.1.1 Financial instruments: Categorisation

2019	Cash and Deposits	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	\$	\$	\$	\$
Contractual financial assets				
Cash and deposits	4,902,599	-	-	4,902,599
Receivables^(a)				
Sale of goods and services	-	257,915	-	257,915
Accrued investment income	-	1,432	-	1,432
Other receivables	-	72,028	-	72,028
Total contractual financial assets	4,902,599	331,375	-	5,233,974
Contractual financial liabilities				
Payables^(a)				
Supplies and services	-	-	623,984	623,984
Venue hire deposits	-	-	105,040	105,040
Tickets sold in advance	-	-	1,057,981	1,057,981
Income in advance	-	-	647,482	647,482
Total contractual financial liabilities	-	-	2,434,487	2,434,487

Note:

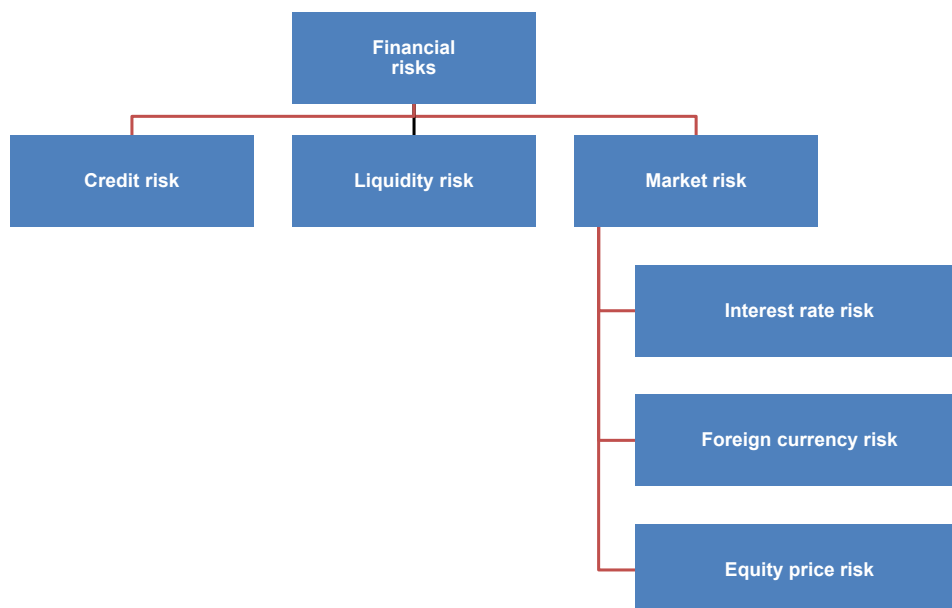
(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

2018	Cash and Deposits	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	\$	\$	\$	\$
Contractual financial assets				
Cash and deposits	3,289,992	-	-	3,289,992
Receivables^(a)				
Sale of goods and services	-	300,996	-	300,996
Accrued investment income	-	2,689	-	2,689
Other receivables	-	57,094	-	57,094
Total contractual financial assets	3,289,992	360,779	-	3,650,771
Contractual financial liabilities				
Payables^(a)				
Supplies and services	-	-	344,090	344,090
Venue hire deposits	-	-	103,850	103,850
Tickets sold in advance	-	-	834,840	834,840
Income in advance	-	-	400,854	400,854
Total contractual financial liabilities	-	-	1,683,634	1,683,634

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

7.1.2 Financial risk management objectives and policies



As a whole, GPACT's financial risk management program seeks to manage these risks and the associated volatility of its financial performance. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage GPACT's financial risks within the government policy parameters. GPACT's main financial risks include credit risk, liquidity risk and interest rate risk. GPACT manages these financial risks in accordance with its financial risk management policy.

GPACT uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Accountable Officer of GPACT.

Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. GPACT's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to GPACT. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with GPACT's contractual financial assets is minimal because GPACT does not have any material credit risk to any single debtor or group of debtors under financial instruments.

In addition, GPACT does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, GPACT's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that GPACT will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 90 days overdue, and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents GPACT's maximum exposure to credit risk.

There has been no material change to GPACT's credit risk profile in 2018-19.

Credit quality of financial assets that are neither past due nor impaired

2019	Financial institutions (triple B credit rating) \$	Other \$	Total \$
Cash and deposits	4,897,699	4,900	4,902,599
Receivables ^(a)	-	331,375	331,375
Total financial assets	4,897,699	336,275	5,233,974

2018	Financial institutions (triple B credit rating) \$	Other \$	Total \$
Cash and deposits	3,285,092	4,900	3,289,992
Receivables ^(a)	-	360,779	360,779
Total financial assets	3,285,092	365,679	3,650,771

Notes

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Impairment of financial assets under AASB 9 - applicable from 1 July 2018

From 1 July 2018, the Department has been recording the allowance for expected credit loss for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Department's contractual receivables, statutory receivables and its investment in debt instruments. [AASB 9.5.5.1]

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. GPACT operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

GPACT is exposed to liquidity risk mainly through the financial liabilities as disclosed in the balance sheet. GPACT manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

GPACT's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from a funding request to DJPR.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements, represents GPACT's maximum exposure to liquidity risk.

Financial instruments: Market risk

GPACT's exposures to market risk is primarily through interest rate risk. Objectives, policies and processes used to manage this risk are disclosed below.

Sensitivity disclosure analysis and assumptions

GPACT's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (100 basis points up and down) in market interest rates (AUD).

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GPACT has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and GPACT's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments					
2019	Weighted average interest rate (%)	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$
Financial assets					
Cash and deposits	1.50	4,902,599	-	4,897,699	4,900
Receivables^(a)					
Sale of goods and services		257,915	-	-	257,915
Accrued investment income		1,432	-	1,432	-
Other receivables		72,028	-	-	72,028
Total financial assets		5,233,974	-	4,899,131	334,843
Financial liabilities					
Payables^(a)					
Supplies and services		623,984	-	-	623,984
Venue hire deposits		105,040	-	-	105,040
Tickets sold in advance		1,057,981	-	-	1,057,981
Income in advance		647,482	-	-	647,482
Total financial liabilities		2,434,487	-	-	2,434,487

Note:

(a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

2018	Weighted average interest rate (%)	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non interest bearing \$
Financial assets					
Cash and deposits	2.00	3,289,992	-	3,285,092	4,900
Receivables^(a)					
Sale of goods and services		300,996	-	-	300,996
Accrued investment income		2,689	-	2,689	-
Other receivables		57,094	-	-	57,094
Total financial assets		3,650,771	-	3,287,781	362,990
Financial liabilities					
Payables^(a)					
Supplies and services		344,090	-	-	344,090
Venue hire deposits		103,850	-	-	103,850
Tickets sold in advance		834,840	-	-	834,840
Income in advance		400,854	-	-	400,854
Total financial liabilities		1,683,634	-	-	1,683,634

Note:

(a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

Interest rate risk sensitivity on contractual financial assets

	Carrying amount	100 basis points Net result	+100 basis points Net result
2019	\$	\$	\$
Cash and deposits	4,897,699	(48,977)	48,977
Total impact	4,897,699	(48,977)	48,977
2018			
Cash and deposits	3,285,092	(32,851)	32,851
Total impact	3,285,092	(32,851)	32,851

Foreign currency risk

GPACT is exposed to limited foreign currency risk through payments to international artists and international suppliers. GPACT's exposure is minimised through regular monitoring of movements in exchange rates against the principal currencies.

Equity price risk

GPACT does not hold any equity investments.

7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

GPACT is not aware of any quantifiable or non-quantifiable contingent assets or liabilities.

7.3 FAIR VALUE DETERMINATION

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of GPACT.

This section sets out information on how GPACT determined fair value for financial reporting purposes. Fair value is 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.

The following assets and liabilities are carried at fair value:

- land, buildings, infrastructure, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

GPACT determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

GPACT determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer General Victoria (VGV) is the Victorian Government's independent valuation agency. VGV or GPACT, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 4.1).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

GPACT currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2018-19 reporting period.

These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables:
Receivables:	· For supplies and services
· Sale of goods and services	· Venue hire deposits
· Accrued investment income	· Tickets sold in advance
· Other receivables	· Income in advance

There are no financial instruments where the fair value is different from the carrying amount.

8. OTHER DISCLOSURES

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

8.1	Reserves
8.2	Changes in accounting policies
8.3	Responsible persons
8.4	Remuneration of executive officers
8.5	Related parties
8.6	Remuneration of auditors
8.7	Prior period adjustment
8.8	Subsequent events
8.9	Australian Accounting standards issued that are not yet effective

8.1 RESERVES	Notes	2019 \$	2018 Restated \$
(a) Contributed capital	8.1.1		
Balance 1 July		17,483,911	14,589,911
Equity Transfer by the State Government	8.7	-	2,894,000
Balance 30 June		17,483,911	17,483,911
(b) Physical asset revaluation surplus	8.1.2		
Balance 1 July		21,996,957	21,996,957
Balance 30 June		21,996,957	21,996,957
(c) Reserve - programming			
Balance 1 July	8.1.3	49,426	49,426
Balance 30 June		49,426	49,426
(d) Accumulated surplus \ (deficit)	8.1.4		
Balance 1 July		4,745,607	(5,581,336)
Net result from transactions	8.7	18,459,620	10,330,889
Net (loss) on non-financial assets		(157)	(3,947)
Balance 30 June		23,205,070	4,745,606

8.1.1 Contributed Capital

Additions to net assets which have been designated as contribution by owners (the State of Victoria) are recognised as contributed capital. Consistent with the requirements of AASB 1004 Contributions, other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

8.1.2 Physical asset revaluation surplus

The physical assets revaluation surplus arises on the revaluation of infrastructure, land and buildings

Non-financial physical assets measured at fair value, in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's government purpose classification but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value. A revaluation was undertaken as at 30 June 2016.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'Other economic flows- other movements in equity' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as other economic flows in the net result, except that the net revaluation decrease is recognised in 'other economic flows - other movements in equity' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in 'other economic flows - other movements in equity' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes. Any asset revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

8.1.3 Reserves - programming

These funds are held specifically to support future programming events.

8.1.4 ACCUMULATED SURPLUS \ (DEFICIT)

Represents the cumulative net results from current year and all prior years.

8.2 CHANGES IN ACCOUNTING POLICIES

GPACT has elected to apply the limited exemption in AASB 9 paragraph 7.2.15 relating to transition for classification and measurement and impairment, and accordingly has not restated comparative periods in the year of initial application. As a result:

- (a) any adjustments to carrying amounts of financial assets or liabilities are recognised at the beginning of the current reporting period with difference recognised in the opening retained earnings; and
 - (b) financial assets and provision for impairment have not been reclassified and/or restated in the comparative period.
- AASB 9 introduces a major change to hedge accounting. However, it is GPACT's policy not to apply hedge accounting. This note explains the impact of the adoption of AASB 9 Financial Instruments on GPACT's financial statements.

8.2.1 Changes to classification and measurement

On initial application of AASB 9 on 1 July 2018, GPACT's management has assessed all financial assets based on GPACT's business models for managing the assets. The following are the changes in the classification of GPACT's financial assets:

- (a) Term deposits previously classified as held to maturity under AASB 139 are now reclassified as financial assets at amortised cost under AASB 9. There was no difference between the previous carrying amount and the revised carrying amount at 1 July 2018 to be recognised in opening retained earnings.
 - (b) Contractual receivables previously classified as other loans and receivables under AASB 139 are now reclassified as financial assets at amortised cost under AASB 9. There was no difference between the previous carrying amount and the revised carrying amount at 1 July 2018 to be recognised in opening retained earnings.
- The accounting for financial liabilities remains largely the same as it was under AASB 139, except for the treatment of gains or losses arising from GPACT's own credit risk relating to liabilities designated at fair value through net result. Such movements are presented in other comprehensive income with no subsequent recycle through profit or loss.

8.3 RESPONSIBLE PERSONS

The names of persons who were responsible persons at any time during the financial year were:

a) Responsible minister

Minister for Creative Industries, the Hon. Martin Foley MP

b) Responsible persons

Lesley Alway	Chair	01 July 2018 - 30 June 2019
Geoff Street	Trust member	01 July 2018 - 30 June 2019
Sue Clark	Trust member	01 July 2018 - 30 June 2019
Robert Costa	Trust member	01 July 2018 - 30 June 2019
Margot Smith	Trust member	01 July 2018 - 30 June 2019
Peter Tullin	Trust member	01 July 2018 - 30 June 2019
Geoff Saunders	Trust member	01 July 2018 - 30 June 2019
Kirsten Kilpatrick	Trust member	01 July 2018 - 30 June 2019
Cate Steains	Trust member	01 July 2018 - 30 June 2019

Responsible persons appointment dates as noted, where appointed within the previous 12 month period.

The names of persons who were responsible persons at any time during the financial year other than Trust members are:

Joel McGuinness - Chief Executive Officer (1 July 2018 - 30 June 2019)

c) Remuneration of responsible persons

No remuneration was paid to any responsible person who is a Trust member.

Remuneration received or receivable by the Accountable Officer in connection with the management of the Trust during the reporting period was in the range: \$160,000 – \$189,999 (\$160,000 – \$189,999 in 2017-18).

8.4 REMUNERATION OF EXECUTIVE OFFICERS

GPACT have determined that there are no executive officers other than the accountable officer as identified in note 8.3.

8.5 RELATED PARTIES

GPACT is an arts agency in the Victorian State Government's Creative Industries portfolio, responsible to the Minister for Creative Industries through Creative Victoria in the Department of Jobs, Precincts and Regions (DJPR). Related parties of GPACT include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all Government departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arms-length basis.

a) Significant transactions with government-related entities

	2019	2018
	\$	\$

During the year, the GPACT received funding from the following government-related entities:

Funding received (Ex-GST)

Entity

Department of Jobs, Precincts and Regions through Creative Victoria	21,657,128	16,780,106 Recurrent appropriations, Grant for Ryrie Street Redevelopment and Arts & Cultural Maintenance Funding
Department of Education and Training	28,050	28,900 Funding to support Education Program

At balance sheet date GPACT had the following receivables outstanding from government-related entities:

Receivables outstanding

Entity

Department of Jobs, Precincts and Regions through Creative Victoria	693,000	- Grant associated with GPACT Redevelopment
Development Victoria	9,094,633	9,613,800 Prepayment amount associated with the Ryrie Street Redevelopment project

b) Other transactions of responsible persons and their related entities

The following related party transactions and balances involving key management personnel, their close family members and their personal business interest are detailed below:

Trust members have contributed \$703,075 (2018: \$2,625) in aggregate to GPACT's Endowment Fund during the year and \$17,500 (2018 \$17,167) in sponsorship.

All other transactions that have occurred with Key management personnel and their related parties have not been considered material for disclosure purposes. Also, all related party transactions have been entered into on an arm's length basis.

At balance sheet date GPACT had the following receivables outstanding from related parties:

Receivables outstanding	2019	2018
	\$	\$
Deakin University	-	193,924
Venue hire, labour recoveries, cleaning, equipment hire and sponsorship		

At balance sheet date GPACT had the following payables outstanding to related parties:

Payables outstanding	2019	2018
	\$	\$
Deakin University	-	13,793
Venue rental		

The above transactions were undertaken in the ordinary course of business and were at arms length and at normal commercial terms.

8.6 REMUNERATION OF AUDITORS

	2019 \$	2018 \$
Victorian Auditor General's Office		
Audit of the financial statements	32,000	28,400
Total remuneration of auditors	32,000	28,400

8.7 PRIOR YEAR ADJUSTMENT

The financial statements have been adjusted due to an inconsistent treatment of funding transactions related to the Ryrie Street Redevelopment project identified during the year, with a restatement of the financial statements for 2018 year. As this occurred before the year end 30 June 2018, GPACT has restated the opening balance of assets, liabilities and equity for the comparative period in the balance sheet presented.

Omission from financial reports of accounting entries in relation to GPACT's Ryrie Street Redevelopment

In previous years, the funding and corresponding asset for the GPACT's Ryrie Street Redevelopment project had not been accounted for in GPACT's previous financial statements. This affected the 2016-17 and 2017-18 financial years. Following agreement between the parties and due to the material impact of the transactions on GPACT, the financial statements for 2017-18 have been restated to reflect the related grant income, contributed capital, assets under construction and prepayments to Development Victoria associated with the redevelopment. To support the recognition of the accounting adjustments for the capital works that took place, GPACT received a certified cost statement from Development Victoria. During the construction, governance and internal controls were in place for the project overseen by a Project Steering Committee.

The impact on the comprehensive operating statement, the balance sheet and the statement of cash flows is as follows:

Impact of correction of an error on the comprehensive operating statement

	For the year ended 30-Jun-19	For the year ended 30 June 2018 (restated)	Adjustment	For the year ended 30 June 2018 (as previously reported)
Income from transactions				
State Government - recurrent appropriations	2,251,000	994,000	-	994,000
Other grants from State Government entities	20,053,692	12,761,489	11,724,062	1,037,427
Operating activities income	2,917,845	3,214,865	-	3,214,865
Fundraising activities income	1,052,122	372,937	-	372,937
Interest income	57,758	48,759	-	48,759
Total income from transactions	26,332,417	17,392,050	11,724,062	5,667,988
Expenses from transactions				
Employee benefits	3,368,750	2,928,649	-	2,928,649
Supplies and services	2,576,506	2,351,789	-	2,351,789
Redevelopment project expenses	520,532	395,540	-	395,540
Depreciation of property, plant and equipment	1,407,009	1,385,183	-	1,385,183
Total expenses from transactions	7,872,797	7,061,161	-	7,061,161
Net result from transactions	18,459,620	10,330,889	11,724,062	(1,393,173)
Other economic flows included in net result				
Net loss on non-financial assets	(157)	(3,947)	-	(3,947)
Total other economic flows included in net result	(157)	(3,947)	-	(3,947)
Net result	18,459,463	10,326,942	11,724,062	(1,397,120)
COMPREHENSIVE RESULT	18,459,463	10,326,942	11,724,062	(1,397,120)

Impact of correction of an error on the balance sheet

	Notes	As at 30-Jun-19	As at 30 June 2018 (restated)	Adjustment	As at 30 June 2018 (as previously reported)
ASSETS					
Financial assets					
Cash and cash equivalents		4,902,599	3,289,992	-	3,289,992
Receivables		1,024,375	371,329	-	371,329
Total financial assets		5,926,974	3,661,321	-	3,661,321
Non-financial assets					
Inventories		11,633	10,099	-	10,099
Other assets	(i)	9,353,271	9,865,293	9,613,800	251,493
Property, plant and equipment	(ii)	50,432,714	32,985,320	6,226,827	26,758,493
Total non-financial assets		59,797,618	42,860,712	15,840,627	27,020,085
TOTAL ASSETS		65,724,592	46,522,033	15,840,627	30,681,406
LIABILITIES					
Payables		2,495,233	1,734,976	-	1,734,976
Employee related provisions		493,995	511,157	-	511,157
Total liabilities		2,989,228	2,246,133	-	2,246,133
NET ASSETS		62,735,364	44,275,900	15,840,627	28,435,273
EQUITY					
Contributed capital	(iii)	17,483,911	17,483,911	3,381,653	14,102,258
Physical asset revaluation surplus		21,996,957	21,996,957	-	21,996,957
Reserves - programming		49,426	49,426	-	49,426
Accumulated surplus	(iv)	23,205,070	4,745,606	12,458,974	(7,713,368)
TOTAL EQUITY		62,735,364	44,275,900	15,840,627	28,435,273

Notes

The adjustments to the balance sheet at 30 June 2018 reflect the cumulative impact of adjustments made to the figures presented at 30 June 2017 and at 30 June 2018, as follows:

- (i) Other assets includes adjustment of \$9,699,001 for 2018 and \$85,201 for 2017.
- (ii) Property, plant and equipment adjustment includes \$4,919,061 for 2018 and \$1,307,766 for 2017.
- (iii) Contributed capital adjustment includes \$2,894,000 for 2018 and \$487,653 for 2017.
- (iv) Accumulated surplus includes adjustment of \$11,724,062 for 2018 and \$734,912 for 2017.

Impact of correction of an error on the consolidated cash flow statement

	For the year ended 30-Jun-19	For the year ended 30 June 2018 (restated)	Adjustment	For the year ended 30 June 2018 (as previously reported)
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts from government	21,685,178	13,915,006	11,724,062	2,190,944
Receipts from other entities	3,889,570	3,965,440	-	3,965,440
Interest received	59,015	47,259	-	47,259
Goods and services tax paid to the ATO	(21,875)	(20,793)	-	(20,793)
Payments to suppliers and employees	(5,663,887)	(5,831,667)	-	(5,831,667)
NET CASH FLOWS FROM OPERATING ACTIVITIES	19,948,001	12,075,245	11,724,062	351,183
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(18,854,561)	(4,992,596)	(4,919,061)	(73,535)
Prepayment for property, plant and equipment	519,167	(9,699,001)	(9,699,001)	-
Proceeds from sale of property, plant and equipment	-	17,577	-	17,577
NET CASH FLOW USED IN INVESTING ACTIVITIES	(18,335,394)	(14,674,020)	(14,618,062)	(55,958)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from capital contributions by State Government	-	2,894,000	2,894,000	-
NET CASH FLOW FROM FINANCING ACTIVITIES	-	2,894,000	2,894,000	-
NET INCREASE IN CASH HELD	1,612,607	295,225	-	295,225
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	3,289,992	2,994,767	-	2,994,767
CASH & CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	4,902,599	3,289,992	-	3,289,992

8.8 SUBSEQUENT EVENTS

Shokoofeh Azar joined as a Trust member on 2 July 2019. Robert Costa completed his term as a Trust member on 22 July 2019 and a replacement appointment has not been made yet.

8.9 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

The table below is provided to assist entities in updating their disclosure in relation to the Australian accounting standards that are issued but not yet effective for 2018-19 in accordance with paragraph 30 of AASB 108. This disclosure should be included in the Summary of Significant Accounting Policies note of entities' financial reports. Entities are expected to review the relevance of the proposed disclosure based on their own circumstances.

Standard/Interpretation ¹	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015 8 Amendments to Australian Accounting Standards – Effective Date of AASB 15 has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017 for Not-for-Profit entities.	1-Jan-19	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. Revenue from grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as the performance obligations attached to the grant are satisfied.
AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public-Sector Licensors	AASB 2018-4 amends AASB 15 and AASB 16 to provide guidance for revenue recognition in connection with taxes and Non-IP licences for Not-for-Profit entities.	1-Jan-19	AASB 2018-4 provides additional guidance for not-for-profit public sector licenses, which include: · Matters to consider in distinguishing between a tax and a license, with all taxes being accounted for under AASB 1058; · IP licenses to be accounted for under AASB 15; and · Non-IP, such as casino licenses, are to be accounted for in accordance with the principles of AASB 15 after first having determined whether any part of the arrangement should be accounted for as a lease under AASB 16.
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	AASB 2016-8 inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events.	1-Jan-19	This standard clarifies the application of AASB 15 and AASB 9 in a not-for-profit context. The areas within these standards that are amended for not-for-profit application include: AASB 9 · Statutory receivables are recognised and measured similarly to financial assets. AASB 15 · The 'customer' does not need to be the recipient of goods and/or services; · The 'contract' could include an arrangement entered into under the direction of another party; · Contracts are enforceable if they are enforceable by legal or 'equivalent means'; · Contracts do not have to have commercial substance, only economic substance; and · Performance obligations need to be 'sufficiently specific' to be able to apply AASB 15 to these transactions.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of operating leases (which are currently not recognised) on the balance sheet.	1-Jan-19	The assessment has indicated that most operating leases, with the exception of short term and low value leases will come on to the balance sheet and will be recognised as right of use assets with a corresponding lease liability. In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge. There will be no change for lessors as the classification of operating and finance leases remains unchanged.

AASB 2018-8	Amendments to Australian Accounting Standards – Right of Use Assets Of Not-for-Profit Entities	This standard amends various other accounting standards to provide an option for not-for-profit entities to not apply the fair value initial measurement requirements to a class or classes of right of use assets arising under leases with significantly below-market terms and conditions principally to enable the entity to further its objectives. This Standard also adds additional disclosure requirements to AASB 16 for not-for-profit entities that elect to apply this option.	1-Jan-19	Under AASB 1058, not-for-profit entities are required to measure right-of-use assets at fair value at initial recognition for leases that have significantly below-market terms and conditions. For right-of-use assets arising under leases with significantly below market terms and conditions principally to enable the entity to further its objectives (peppercorn leases), AASB 2018-8 provides a temporary option for Not-for-Profit entities to measure at initial recognition, a class or classes of right-of-use assets at cost rather than at fair value and requires disclosure of the adoption. The State has elected to apply the temporary option in AASB 2018-8 for not-for-profit entities to not apply the fair value provisions under AASB 1058 for these right-of-use assets. In making this election, the State considered that the methodology of valuing peppercorn leases was still being developed.
AASB 1058	Income of Not-for-Profit Entities	AASB 1058 will replace the majority of income recognition in relation to government grants and other types of contributions requirements relating to public sector not-for-profit entities, previously in AASB 1004 <i>Contributions</i> . The restructure of administrative arrangement will remain under AASB 1004 and will be restricted to government entities and contributions by owners in a public sector context. AASB 1058 establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objective.	1-Jan-19	Grant revenue is currently recognised up front upon receipt of the funds under AASB 1004 Contributions. The timing of revenue recognition for grant agreements that fall under the scope of AASB 1058 may be deferred. For example, revenue from capital grants for the construction of assets will need to be deferred and recognised progressively as the asset is being constructed. The impact on current revenue recognition of the changes is the potential phasing and deferral of revenue recorded in the operating statement.
AASB 17	Insurance Contracts	The new Australian standard eliminates inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reinsurance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities. This standard currently does not apply to the not-for-profit public sector entities.	1-Jan-21	The assessment has indicated that there will be no significant impact for the public sector, hence no impact on GPACT
AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material	This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.	1-Jan-20	The assessment has indicated that there will be no significant impact for the public sector, hence no impact on GPACT

AASB 1059 Service Concession Arrangements: Grantor	This standard applies to arrangements that involve an operator providing a public service on behalf of a public sector grantor. It involves the use of a service concession asset and where the operator manages at least some of the public service at its own direction. An arrangement within the scope of this standard typically involves an operator constructing the asset used to provide the public service or upgrading the assets and operating and maintaining the assets for a specified period of time.	1 January 2020 (The State is intending to early adopt AASB 1059 for annual reporting periods beginning on or after 1 January 2019)	For an arrangement to be in scope of AASB 1059 all of the following requirements are to be satisfied: • Operator is providing public services using a service concession asset; • Operator manages at 'least some' of public services under its own discretion; • The State controls / regulates: – what services are to be provided; – to whom; and – at what price • State controls any significant residual interest in the asset. If the arrangement does not satisfy all the above requirements the recognition will fall under the requirements of another applicable accounting standard.
AASB 2018-5 Amendments to Australian Accounting Standards – Deferral of AASB 1059	This standard defers the mandatory effective date of AASB 1059 from 1 January 2019 to 1 January 2020.	1 January 2020 (The State is intending to early adopt AASB 1059 for annual reporting periods beginning on or after 1 January 2019)	This standard defers the mandatory effective date of AASB 1059 for periods beginning on or after 1 January 2019 to 1 January 2020. As the State has elected to early adopt AASB 1059, the financial impact will be reported in the financial year ending 30 June 2019, rather than the following year.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2018-19 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investment Property, Annual Improvements 2014-16 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015 – 2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendments, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business

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geelong
arts
centre

50 Little Malop Street,
PO BOX 991, Geelong,
Victoria, 3220

P 1300 251 200

geelongartscentre.org.au