

QUEENSLAND **PERFORMING ARTS** TRUST

ANNUAL REPORT 2021-2022



13 September 2022

The Honourable Leeanne Enoch MP
Minister for Communities and Housing,
Minister for Digital Economy and Minister for the Arts
GPO BOX 806
BRISBANE QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2021-2022 and financial statements for the Queensland Performing Arts Trust.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at page 75 of this annual report.

Yours sincerely



Professor Peter Coaldrake AO
Chair
Queensland Performing Arts Trust

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INTRODUCTION

Vision

A centre of inspiring arts for all Queenslanders

Queensland Performing Arts Centre

The Queensland Performing Arts Centre (QPAC) is managed by the Queensland Performing Arts Trust (QPAT). As Queensland's state performing arts centre, QPAC's core mandate is to contribute to the cultural, social and intellectual development of all Queenslanders. It is a public cultural institution where people, performance, and ideas connect.

Art and creative activity are ways to explore ourselves and the world. We create and present stories and perspectives that have relevance to our time and to the people who live here. Through this we aim to give voice to our diverse communities, provoke thought and reflection, and help shape our shared future.

Queensland is the only state or territory home to both of Australia's Indigenous peoples. QPAC seeks to be a place where audiences can engage with the breadth of our cultural origins and forms of expression, to embrace and celebrate Aboriginal and Torres Strait Islander cultures with vigour and authenticity and with the support of communities.

Through our program, activities, and partnerships we support employment to generate value for individuals, communities, and our sector by:

- Creating powerful experiences through art
- Attracting large and diverse audiences on site and online
- Welcoming all to a thriving and creative precinct
- Maintaining a robust and sustainable financial and governance foundation
- Fostering an inclusive and positive workplace culture
- Developing and sustain relationships with arts companies, communities, and supporters
- Offering innovative specialist solutions and expertise

Queensland Performing Arts Trust

The Queensland Performing Arts Trust (QPAT) is a statutory body which manages and operates the Queensland Performing Arts Centre (QPAC). Its existence, functions and powers are set out in the *Queensland Performing Arts Trust Act 1977* (the *Act*).

The object of the *Act* is to contribute to the cultural, social and intellectual development of all Queenslanders. The guiding principles for achievement of this object are:

- leadership and excellence should be provided in the performing arts;
- leadership and excellence should be demonstrated in the management, on a commercial basis, of venues used for the performing arts, for the benefit of performing artists;
- there should be responsiveness to the needs of communities in regional and outer metropolitan areas;
- respect for Aboriginal and Torres Strait Islander cultures should be affirmed;
- children and young people should be supported in their appreciation of, and involvement in, the performing arts;
- diverse audiences should be developed;
- capabilities for lifelong learning about the performing arts should be developed;
- opportunities should be developed for international collaboration and for cultural exports, especially to the Asia Pacific region; and
- content relevant to Queensland should be promoted and presented.

Under the *Act*, QPAT's functions include the following:

- producing, presenting and managing the performing arts in the building occupied by QPAT at the Queensland Cultural Centre or any other building;
- establishing and conducting schools, lectures, courses, seminars and other forms of education in the performing arts;
- teaching, training and instructing persons and promote education and research in the performing arts;
- providing or assisting in providing premises and equipment for the purpose of the presentation of the performing arts;
- promoting and encouraging the development and presentation of the performing arts;
- promoting and encouraging public interest and participation in the performing arts;
- promoting and encouraging either directly or indirectly the knowledge, understanding, appreciation and enjoyment of the performing arts; and
- encouraging, for persons resident in Queensland, participation as performers for the performing arts and involvement in other aspects of the performing arts.

Note: For the purposes of this report the acronym of QPAC is used more widely than QPAT to discuss the functions, activities, staff and outcomes of the Queensland Performing Arts Centre. This is the acronym the Centre is best known by and is most relevant to the deliverables and content of this report. Where referring to activities or responsibilities that the Trust has direct carriage of, the acronym QPAT is applied.

Overview from the Chair and Chief Executive

One of the most vital functions of performing arts is to bring people together, to share a common experience. QPAC commenced this financial year with its theatres closed subject to a snap three-day lockdown, an experience that, more than a year into the COVID pandemic, had unfortunately become familiar. Another lockdown would take place at the end of July through to August, but the effect of the pandemic extended well beyond direct closures.

The pandemic has had an insidious effect on performing arts throughout the world, undermining the very essence of the theatre experience. But the predominant narrative of QPAC in 2021-22 is not one of crisis, but of extraordinary resilience in response to extraordinary challenges.

Border restrictions, both state and international, led to the securing of travel exemptions and arrangement of quarantine facilities for artists and companies. Changes to capacity limits within the theatres and density limits within other public spaces set off a complex chain of events from resetting theatre layouts to communicating with ticketholders, patrons and artists. Mask wearing requirements changed throughout the year as did use of the Queensland Check-In app for contact tracing.

Circumstances often called for creative solutions and collaboration with partners throughout the sector. To ensure Bangarra's wonderful season of *Sandsong* could proceed, QPAC worked with the company and the Queensland Government to secure access to quarantine at Howard Springs in the Northern Territory prior to their entry to Queensland. For other seasons we had no choice but to postpone, such as the highly anticipated *The Ring* and *Aida* with Opera Australia and Opera Queensland.

It would be reasonable to expect that managing QPAC during a pandemic, with its scale and complexity, would be the defining challenge of the year as it was for arts organisations and other industries around the world. But 2021-22 had another year-defining challenge for QPAC.

Extensive flooding in the last days of February led again to a necessary closure and this time both the theatres and the construction site for the New Performing Arts Venue were affected. Once the site was safe, employees and contractors for Arts Queensland and QPAC responded immediately to take on the tremendous tasks of clean up and coordination of repair and maintenance work to enable theatres to reopen. Though all four venues have now reopened, repair work continues to this day as well as planning for longer term design changes to ensure better resilience for when flooding will inevitably again affect the area.

This report is a snapshot taken from a longer story, more than forty years in the making, that will continue well into the future. It is a story that seeks to honour the people who have sung and danced and told stories here for tens of thousands of years. A thriving performing arts centre is one that not only meets challenges head on, but uses the experience to grow stronger and QPAC has emerged from this year with a well-earned sense of optimism.

This is a remarkable organisation and we feel privileged to lead it through another year that we can safely say has been like no other in its history.



Professor Peter Coaldrake AO
Chair



John Kotzas AM
Chief Executive

BACKGROUND

Government objectives for the community

The Queensland Performing Arts Trust is committed to the Government's objectives for the community, as outlined in *Unite and Recover – Queensland's Economic Recovery Plan*.

Specifically, QPAC both employs and supports the employment of artists, creatives, technicians, venue management, hospitality, and corporate support staff, adding to the diversification of the Queensland economy, in line with the Government objective of *Supporting Jobs*.

QPAC actively shares the Government's priorities detailed within its *Creative Together 2020-2030: A 10-year Roadmap for arts, culture and creativity in Queensland*. The five principles of the roadmap align with the strategic objectives outlined in QPAC's Strategic Plan 2021-2025 and QPAC contributes to each through the following:

- Elevating First Nations arts
 - Establishing a Reconciliation Action Plan (RAP)
 - *Clancestry: A Celebration of Country* festival
- Activating Queensland's local places and global digital spaces
 - Digital Stage platform
 - *Spirit of Christmas* broadcast
- Drive social change across the state
 - Community partnerships
 - *Circus in a Teacup* with Micah Projects
- Strengthen Queensland communities
 - Brisbane State High School Centenary partnership
- Share our stories and celebrate our storytellers
 - *Boy Swallows Universe* with Queensland Theatre and Brisbane Festival
 - Sparks program supporting First Nations playwrights

For more details on these initiatives, refer to Outcomes from page 8 of this report.

Strategic plan 2021-2025

QPAC's Strategic Plan 2021-2025 set out the following strategic objectives. Key performance indicators are detailed in the Outcomes section from page 8 of this report.

Vibrant arts: Deliver a diversity of meaningful experiences.

Strategies:

- Create a program diverse in form, scale, and perspectives that resonates with audiences
- Promote conversation and debate to bring insight to complex issues
- Capture stories that emerge from our unique place in the world

Captivated audiences: Amplify audience engagement.

Strategies:

- Reflect the heart of Queensland as a vibrant and welcoming public place
- Provide opportunities to participate in creative and cultural activities as a pathway to improved wellbeing
- Use our resources and technologies to reach and engage people across the state and beyond

Creative and commercial: Foster innovation, leadership and collaboration.

Strategies:

- Strengthen our ability to respond to rapid change, opportunities, and technologies
- Reflect the full diversity of the community in our work and in our workforce
- Cultivate dynamic and productive partnerships

First Nations: Prioritise reconciliation led by First Nations knowledge and expertise.

Strategies:

- Elevate First Nations arts and culture and promote respect, participation, and understanding
- Embed First Nations leadership and advice to guide our initiatives
- Create opportunities for First Nations peoples to thrive in our business and operations

Operational plan 2021-2022

QPAC's Operational Plan 2021-2022 was organised under the four strategic objectives put forward in the Strategic Plan 2021-2025 and identified specific projects and goals to advance those objectives.

A diversity of meaningful arts experiences begins with QPAC's program and continues beyond the stage on social media and in curated digital content, publications, conference presentations, and conversations that support and complement the in-theatre program. QPAC's priorities for vibrant arts in 2021-22:

- Present headline popular productions across artforms alongside works that advance thoughtful public dialogue on major issues
- Present productions that tell Queensland stories including a major new Queensland work in Trent Dalton's *Boy Swallows Universe* presented by QPAC in partnership with Queensland Theatre and Brisbane Festival

A captivated audience is one that is engaged with the whole experience of QPAC and the Operational Plan 2021-22 identifies the following key projects:

- Make improvements to ticketing systems to meet best practice and audience expectations
- Use audience insights and feedback to inform decision making
- Engage with community organisations to create meaningful arts experiences
- Make improvements to QPAC's digital program to reach more people

QPAC occupies a unique role in Queensland arts sector to foster innovation, leadership, and collaboration. Project identified as priorities for 2021-22 include:

- Offer commercial and artistic expertise on design and construction of the New Performing Arts Venue
- Maintain systems and staff necessary to support the safety and security of artists, patrons, staff and other visitors and identify risks and make improvements to systems where appropriate
- Maintain the highest standard of training and development for technical and production staff, especially in digital production capabilities

Prioritising reconciliation is a major focus for 2021-22, led by First Nations knowledge and expertise. QPAC's major projects for this year are to:

- Support the Aboriginal and Torres Strait Islander Advisory Group
- Finalise and implement QPAC's Reconciliation Action Plan

- Deliver a First Nations program including: the *Clancestry* festival and the Sparks program for emerging playwrights

The operational plan was not modified during the year.

The Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts did not give any directions to the Trust during or relating to the financial year.

Operating environment

The 2021-22 financial year has delivered a difficult operating environment for QPAC, as it has for others across the country.

COVID-19

QPAC commenced the financial year in a three-day lockdown and with closed international and interstate borders. A further lockdown was declared on 31 July until 8 August 2021.

Changes to capacity limits within the theatres, density limits within other public spaces, compulsory mask wearing, and the mandatory use of the Check-in app ensued as Queensland grappled with controlling the global COVID pandemic.

Requirements for fourteen-day quarantine, for those able to secure travel exemptions, presented challenges for touring productions and artists, both in terms of the disruption to the tour and the capacity to rehearse within hotel rooms. Performance postponements and cancellations became the norm.

On 18 October 2021, the Queensland Government released a plan to reopen the State's borders in stages, dependent on the level of vaccination in the community. This plan was further expanded on 9 November to include provisions for those vaccinated and those who chose to remain unvaccinated. Under this direction from 17 December, patrons, employees, performers, crew and visitors aged 16 years and over were required to be double-dose vaccinated to attend QPAC. Proof of vaccination was required on arrival and QPAC installed several check-in locations to facilitate this.

As the border restrictions relaxed, COVID began circulating with the first known COVID case at QPAC recorded on 19 December 2021, some 22 months after the pandemic was first declared.

The reopening of the borders coincided with the rapidly spreading Omicron COVID variant. A range of steps were taken by QPAC to prevent the spread of the virus amongst staff, cast and crew, including masks, the previously mentioned mandatory vaccination, working from home arrangements where feasible and ready access to rapid antigen tests, which were undertaken daily in certain high-risk areas.

The Queensland Government vaccine mandate for venues, including QPAC, was lifted on 14 April 2022. By that stage, QPAC was contending with a further challenge.

February 2022 Flood Event

In February 2022, Queensland experienced an extreme wet weather event. In the three days to 28 February, greater Brisbane received 676.8 millimetres of rainfall, the largest three- and seven-day total ever recorded in the area.

Due to significant safety concerns, Queensland Police closed the entire Cultural Centre precinct including QPAC on 27 February and members of the public were advised against attempting to access the site. QPAC issued a media statement advising that all performances would be cancelled until further notice.

The site remained closed through subsequent weeks with the exception of technical experts, staff and contractors.

The impacts of the flooding on QPAC were extensive, both in the original section of QPAC (known as Stage 2 of the Queensland Cultural Centre), which includes the Lyric Theatre, the Concert Hall and the Cremorne and the later addition of the Playhouse Theatre (known as Stage 5).

With core services infrastructure located below ground level in Stage 2 and at ground level in Stage 5, the rising levels of the river and ensuing stormwater impacted most of QPAC's essential systems in one form or another.

The Lyric Theatre reopened for production rehearsals on 17 March, with the first public performances on the evening of Friday 18 March. The Concert Hall reopened for performances on 29 March, the Cremorne on 1 April and the Playhouse Theatre from 27 May (its later reopening due to issues with the affected fire systems).

The reopening of QPAC facilities is ongoing, managed by Arts Queensland as the building owner through various specialist contractors. The Riverside public carpark remains closed as at 30 June 2022 for an indefinite period due to the extent of damage to its electrical infrastructure. This prolonged closure has an ongoing impact on patrons and QPAC business and activity.

Major Construction

Throughout the year, QPAC has been surrounded by major construction projects, including the New Performing Arts Venue, the Neville Bonner Bridge and, more recently, the Brisbane Metro project. Collectively these projects will deliver a vastly improved public experience for visitors to QPAC, and indeed to Brisbane.

Considerable ongoing effort has been made by all parties to ensure that the impact of these construction projects on the public is minimised, however their location at the busy juncture between South Bank and the Cultural Centre sites and the extent of works has meant that this is a challenge for the immediate future.

OUTCOMES

Performance Measures

	Notes	2021-22 target/ estimate	2021-22 actual
Vibrant arts			
Attendance levels (<i>Visits to QPAC on site</i>)*	1, 2	1.3M	856,794
Visits to QPAC online	3	2.38M	2.51M
% collaborative seasons		70%	75%
Sold occupancy		73%	73.2%
Seasons by Queensland artists/companies	4	55%	73.6%
Captivated audiences			
Breadth of regional interaction	1, 2	98%	71.4%
Audience satisfaction with QPAC experiences *	5	95%	92%
Diversity of audience (Aboriginal and Torres Strait Islander + LOTE)	6	13%	7.4%
Creative and commercial			
Venue utilisation *	1, 2	84%	70%
Non-government revenue as a % of total revenue *	1, 2	85%	81%
Positive increase in workforce diversity		10%	13.68%
First Nations			
Positive increase in First Nations engagement across all aspects of the organisation's operations	7	1%	In progress
QPAC Aboriginal and Torres Strait Islander Advisory Group		Ongoing advice on First Nations matters	Achieved
QPAC Reconciliation Plan (RAP)		Adoption of RAP	Achieved

* SDS Effectiveness measure

Notes:

- Where there has been a decline in actuals compared to targets in 2021-22, it is largely due to COVID-19 impacts and associated social restrictions (capacity of theatres, barriers to travel, cancellations/postponements, social distancing).
- Decline in actuals can be attributed to the consequences of flooding in February 2022.
- Introduced in 2020-21.
- A higher than targeted percentage of Queensland artists/companies can be attributed to travel restrictions in response to COVID-19.
- The variance for audience satisfaction is likely due to minor levels of dissatisfaction with flood and COVID impacts. Three of the six highest survey response seasons were major musicals that were significantly impacted either by flood or COVID cancellations or postponements.
- This figure may not be an accurate indication of QPAC's engagement with diverse audiences due to the data collection methodology (i.e. a poor audience survey response rate from the target group due to language and cultural differences is possible). The methodology is continually reviewed to better capture the data. 2021-22 figures may also be impacted by reluctance of certain cultural groups to attend due COVID risk.
- QPAC's Reflect Reconciliation Action Plan has established a pathway towards increasing First Nations engagement across all aspects of the organisation's operations.

Strategic objectives

Vibrant arts

QPAC measures the success of its vibrant arts objective and its program in part by the number of people willing to attend a performance. Though the 2021-22 total of 856,794 visitors fell short of the target 1.3 million, it was not unexpected given that cancellations and postponements remain frequent through the year, whether due to local lockdowns, travel restrictions, cast or crew illness, or indeed natural disaster. Audience capacity or density restrictions also affected many productions throughout the year. Despite this, the program highlights that follow offer a snapshot of QPAC's strategic objective of vibrant arts. This year's achievements carry the additional weight of finding successes through significant and continual disruptions to regular scheduling.

A vibrant arts program is one that delivers relevant and meaningful experiences throughout the community. It is a program diverse in form and scale and designed to resonate with a wide range of audiences throughout Queensland. It is a program that can by turns challenge and delight and is capable of elevating voices and perspectives to reach a broader audience. It is a program that captures our unique place in the world, sometimes through Queensland voices on stage, but always through resonating with Queensland audiences.

Detailed below are highlights from a program that featured 878 performances across 193 seasons. Similar to 2020-21, a greater than targeted percentage of performances featured Queensland companies and artists (73.6% compared to the target 55%), largely because of various travel restrictions and disruptions that prevented national and international productions from touring.

Large-scale musicals

- *Charlie and the Chocolate Factory*
The collaboration between QPAC and Crossroads involved both parties working to overcome interstate travel restrictions, rehearsal lockdowns and capacity restrictions throughout the season. The opportunity to extend into a sixth week did not proceed, due to the uncertainty around the Western Australian border restrictions and to ensure the company could travel safely into Perth to complete the tour. The 75% capacity restriction incurred from 30 September had a minor impact on the final three performances which were all sitting at around 74% capacity at the time the restriction was placed.
- *An American in Paris*
GWB Entertainment co-created this production with The Australian Ballet based on the classic film and four-time Tony Award winning Broadway musical by the same name. This was a very well received and reviewed production that was negatively impacted by COVID resulting in a dip in sales and a one-week

closure of the production with many of the cast sick. As a result, QPAC agreed to support the company in the continuation of their tour.

- *West Side Story*
A collaboration between Opera Australia and GWB Entertainment in association with QPAC. A local lockdown forced the cancellation of eleven performances and 50 per cent capacity limitation, later lifting to 75 per cent.
- *Disney's Frozen: The Musical*
Produced by Disney Theatrical Productions, this hit Broadway Musical adaptation featured an all-Australian cast led by Jemma Rix in the role of Elsa. The production was popular with attendances of 133,400 patrons, despite the cancellation of 21 performances due to the flooding. The closure resulted in the majority of these patrons exchanging to later in the season and a reduction in saleable capacity for new audiences.
- *9 to 5: The Musical*
Crossroads Live and Jones Theatrical presented this season based on the film and featuring an all-Australian cast including Marina Pryor, Casey Donovan, and Eddie Perfect.

First Nations programming

- *Bangarra's SandSong: Stories from the Great Sandy Desert*
Created by Bangarra Dance Theatre in consultation with Wangkatjungka/Walmajarri Elders from the Kimberley and Great Sandy Desert regions, *SandSong* honours the legacy of Ningali Josie Lawford-Wolf and her family.
- *Clancestry: A Celebration of Country*
The sixth *Clancestry* since the inaugural festival in 2013 engaged more than 130 First Nations artists over two weeks. The program included free and ticketed events, in-theatre and outdoor venues, an exhibition, as well as events focused on children and Elders.
- *Blaktivism*
Truth-telling with First Nations musical activists presented in the Concert Hall.
- QPAC assisted the commemoration of the anniversary of the National Apology to the Stolen Generations hosted by Link-Up (Qld).
- The Autumn *Green Jam* program spotlighted more senior musicians in a space normally reserved for young and emerging artists. The shift in focus was prompted by an alignment with *Clancestry* programming and the loss of the dedicated seniors project *If Only I Could* for this year. Folk, Rockabilly genres and a cross over evening with *The Jam Club* attracted strong audiences of consistently more than 150. Finally this program was fortunate to have good weather across the whole season.

Further details on QPAC's First Nations artist and community engagement can be found under the First Nations strategic objectives in this report.

Children and families

- *The Twits*
An adaptation of Roald Dahl's story produced by shake & stir theatre co. The production is planned to tour Sydney Opera House and Canberra Theatre Centre in late 2022.
- *Carnival of the Animals*
A return season of the Circa and Out of the Box tribute to Camille Saint-Saëns, which also features a group of children who have participated in Circa workshops.
- *360 ALLSTARS*
An urban circus show for the whole family, *360 ALLSTARS* proved popular with audiences, despite occurring at the peak of the COVID Omicron wave.
- *A Christmas Carol*
shake & stir's family favourite returned for a fourth season at QPAC. Due to a COVID-related gap in the Playhouse and the cancellation of shake & stir's touring program, this season was extended to 32 performances over four weeks.
- *The Gruffalo*
CDP's *The Gruffalo* was a successful production for the Playhouse in early October, proving popular with audiences, performing above target selling to 78% of capacity across an extended season.

Premiere seasons: Queensland stories and innovations

- *Boy Swallows Universe*
This season, rescheduled from Brisbane Festival 2020, was a three-way partnership between QPAC, Queensland Theatre, and Brisbane Festival. It enjoyed a very high public profile having been a cornerstone presentation of the Brisbane Festival and in large part due to the popularity of Trent Dalton's book from which the play was adapted. It broke Queensland box office records for drama with more than 35,000 attendees, despite 75% capacity restrictions during its final two weeks. QPAC has led subsequent conversations on touring opportunities.
- *Ishmael*
This world premiere season, based on Herman Melville's classic *Moby Dick*, was a co-production between QPAC, Brisbane Festival, and Dead Puppet Society. A local lockdown forced rehearsals to move online and the subsequent cancellation of the first five scheduled performances of the season.
- *Fourthcoming*
A premiere season of a new work by shake & stir theatre co. Led by a team of local creatives, the show

successfully utilised smart phone technology to drive the audience votes in the choose-your-own adventure narrative. The work is in discussion to tour to major arts centres, returning an originating producers' royalty to QPAC over the next five years.

Highlights from state companies

- Queensland Symphony Orchestra:
We're Sharing the Joy
Presented by Queensland Symphony Orchestra, in collaboration with Health and Wellbeing Queensland and QPAC, *Sharing the Joy* thanked the many Queensland frontline workers who have protected communities through natural disasters and the pandemic. More than 1,700 guests enjoyed a free program including a recently premiered new work by didgeridoo virtuoso William Barton, Apii Thatini Mu Murtu (To sing and carry a coolamon on country together).
- Queensland Ballet: *Dracula*
Bram Stoker's classic gothic tale adapted by celebrated choreographer Krzysztof Pastor to the music of Wojciech Kilar, originally composed for the 1992 film version of the story.
- Opera Queensland: *Viva Verdi Gala*
Featuring an ensemble of some of Australia's finest opera singers, the Opera Queensland Chorus and the Queensland Symphony Orchestra, this concert, led by conductor Johannes Fritzsche, was a celebration of the master Italian composer.
- Circa: *Humans 2.0*
Circa and QPAC co-presented 11 performances of this new work, which was simultaneously being performed by another Circa company in Berlin. The season was well received, with nightly standing ovations and significant media attention.
- *A Harmonic Journey – Sound in Colour*
The QPAC Chamber Choir's debut performance replaced the annual performance of the 200-voice QPAC Choir, which has been unable to come together since early 2020 due to COVID restrictions. The Chamber Choir, an ensemble of 40 singers from the QPAC Choir has been a safe way to continue this long-standing public engagement program and to develop a performance of high artistic quality. *Harmonic Journey* interspersed choral performance with creative insight from Choral Director Timothy Sherlock that focused on the treatment of harmonic language in music and its intended effect.

Popular productions and audience favourites

- Penn & Teller
Originally scheduled for 2020, this season from the popular magicians was twice postponed before its successful run in June.

- *Jane Eyre*
The return season of shake & stir theatre co's adaptation of Charlotte Brontë's novel.
- *The Gospel According to Paul*
This production finally returned to QPAC after being cancelled twice due to COVID with a triumphant Playhouse season. The touring party was reduced to that of the performer and stage manager both of whom quarantined for two weeks in a Brisbane hotel. The QPAC crew installed the set and lighting via remote instruction from the production design crew.
- *Spirit of Christmas*
Two female musical theatre stars, Amy Lehpamer and Lucy Maunder, featured in this year's *Spirit of Christmas* alongside tenor Rosario La Spina, GUQC graduate Hanlon Innocent, the QPAC Chamber Choir and the Queensland Symphony Orchestra conducted by Simon Kenway as well as a Welcome to Country by Auntie Raelene Baker. The three performances were well received by capacity audiences.
- *The Jam Club*, delivered in partnership with Good Tunes, restarted following flood related cancellations in February. A cross over with *Green Jam* grew both participation and audiences. New location options are being explored to continue the momentum of this project post June once the Melbourne Street Green is lost to construction. The project was conceived in order to create music based participation opportunities for community and to work with local small arts company Good Tunes. Playing music together, like singing and choirs, can be a powerful social glue and aligns with QPAC's public engagement focus on wellbeing and social inclusion.

Creating meaningful arts experiences in the community

- *QPAC's Songs of Hope and Healing*
This annual presentation was delivered after a two-year hiatus. *Songs of Hope and Healing* was initiated as a partnership with HEAL (Home of Expressive Arts in Learning), a school based mental health program which specialises in working with refugee children. The line-up for the 2022 concert included headliner Mahalia Barnes, as well as local acts Matt Hsu's Obscure Orchestra, Jade New World Collective, Deline Briscoe, Sasta and the QPAC Chamber Choir. The MC was human rights lawyer and refugee Mariam Veiszadeh and included guest speaker Omal, a former HEAL participant.
- *Grease* (students from the Griffith University Conservatorium's Musical Theatre Course)
The music theatre students from Queensland Conservatorium Griffith University (QCGU) performed *Grease* in the Lyric Theatre for six performances. Sixty-seven students filled the stage, from third-year students in leading roles and second- and first-year students in the ensemble. Filling a gap in the Lyric schedule created by the postponement of *The Ring*, this production created a significant opportunity for the students and was popular with audiences.
- *Tribute to Mikis Theodorakis*
This concert brought community together to pay tribute to the Greek composer who passed away at the end of 2021. This presentation built on ongoing partnerships with the Greek Club, the Greek Orthodox Church and Paniyiri.
- *Circus in A Teacup*
QPAC presented Vulcana Circus's *Circus In A Tea Cup*, a project supported by Brisbane Domestic Violence Service – Micah Projects. The first time Vulcana has presented work in a QPAC theatre, *Circus in a Teacup* was the culmination of six months of community engagement by the company working with victim-survivors of gender-based violence. The project was well received by participants, audiences and community.

Captivated audiences

Captivating audiences means welcoming a diversity of people to QPAC and connecting them with artists through the live arts experience. QPAC's objective for captivated audiences includes using resources and technologies to enable as many people as possible to participate in creative and cultural activities. Technology provides tools to help bridge physical and geographic barriers, which improve accessibility. The effective use of these tools depends on a network of organisational systems, infrastructure, and expertise working in unison. QPAC seeks to build these capabilities, developing digital arts experiences both as an adjunct to live performance and as an online-only experience.

Audience satisfaction with QPAC experiences was 92%, below the target of 95%. This has been identified as likely due to dissatisfaction with flood and COVID impacts. Three of the six highest survey response seasons were major musicals that were significantly impacted either by flood or COVID cancellations or postponements. QPAC's audience diversity was measured at 7.4%. Though below the target of 13%, this figure may not represent an accurate indication of QPAC's engagement with diverse audiences as an audience survey response rate from the target groups due to language and cultural differences is possible. 2021-22 figures may also be impacted by reluctance of certain cultural groups to attend due to COVID risk. QPAC seeks to continually improve its data collection methodology to more accurately reflect the organisation's objectives.

Audience insights and patron feedback inform and support curation

QPAC employs a patron-first approach from planning and programming stages right through to a commitment to continuous improvement based on patron feedback. QPAC teams gather data collected from surveys, feedback and retrospective sales to inform programming and curatorial decisions. This process allows for information on market demand, buying patterns, and preferences to contribute to future programming.

QPAC's patron survey was revised in this year to return to a broader range of questions from the previous year's focus on COVID-related questions. This survey is sent to a random 10 per cent of QPAC bookers for each event with questions that address demographics to measure diversity, overall experience at QPAC, performance specific experience, and Food and Beverage offerings among other topics. This process is then used to inform improvements across the whole of QPAC experience.

A recent small, yet important change was the creation of a dedicated priority phone line to the QTIX Call Centre for patrons needing to book accessible seating. This was in response to patron feedback reporting that online booking for accessible seating is not an option (for various reasons)

and noting that the only other option available at the time was to join the general call centre queue.

Digital Stage Development

Project planning has been underway to enable creation of the Digital Stage to provide both on-demand and live streaming of performances, free and paid. Digital Stage will allow QPAC to make more than 200 hours of online content available via Vimeo OTT (Over The Top), a platform that delivers adaptive streaming across devices and offers full control over content and ownership of audience and subscriber data.

As an early test of the platform, QPAC achieved a long-held goal of broadcasting the *Spirit of Christmas* concert to people all over Queensland. Recorded the previous week, the concert was streamed on Christmas Eve accompanied by additional footage and content shot specifically for this presentation. Rights and royalties mean the performance could be broadcast only once, but streaming is now planned to become a regular part of the annual concerts.

Audience survey results provided valuable feedback for future streaming events:

- 4,084 views
- 28% of people watched alone, 30% with one other person, 23% with more than 3 people and 2 people brought together groups of more than 12
- Most viewers were from greater Brisbane but 20% were in regional Queensland and 3% interstate
- 63% of people had never attended a *Spirit of Christmas* concert before
- Despite some people experiencing some technical challenges, 88% of people said the experience made them more likely to watch our upcoming digital programs

Digital Stage went live on 6 June 2022 with Dead Puppet Society's award-winning drama *The Wider Earth* as well as exquisite puppetry workshops. A range of free content, including behind-the-scenes of ground-breaking *Ishmael*; Trent Dalton's *Boy Swallows Universe*, adapted for the stage by Tim McGarry; and a conversation with the stars of *An American in Paris*.

An improved ticketing experience

QPAC has worked through an extensive implementation process for the roll out of QTIX's new ticketing system, Tixtrack using the Nliven software for allocated seating events and Ticketure software for general admission.

Following integration of data and extensive testing through this year, QTIX has plans for all new QPAC events to go on sale via Nliven from July 2022. QTIX client Queensland Museum transitioned to Ticketure in April 2022 and QTIX will now work with Queensland Museum to transition its other venues. Implementation was also completed for

QTX clients Queensland Art Gallery/Gallery of Modern Art and the Queensland Conservatorium of Art.

The move to Tixtrack allows QTX to future proof for growth, respond to market conditions, industry challenges and demands and offer greater flexibility to its clients and patrons. From a client point of view Tixtrack will enhance data protection, provide excellent customer transaction history and detailed data associated with every season or event. TixTrack will provide QTX clients and patrons with a streamlined, mobile-first booking process therefore improving the purchase journey and buying experience.

Engagement with communities through partnerships

QPAC has continued to partner with community groups to create meaningful arts experiences including the following:

- Communitify on its Culture Club program
- Micah Projects on the creation and presentation of *Circus in a Teacup* season in the Cremorne Theatre, December 2021
- Multicultural Australia on the *In Your Hands* project

QPAC partnered with Brisbane State High School on *Timeless*, a celebration of the school's centenary in music, dance and visual storytelling. QPAC has been supporting young peoples' engagement in the performing arts by working with BSHS students, teachers and alumni to create and present a series of performances. The final production was presented in the Playhouse in May 2022.

Kindness Campaign

Designed as a positive and covid-flexible engagement for children and families during the *Charlie and the Chocolate Factory* season, the Kindness Campaign invited children to think of kind actions, to write or draw them on a tag, and tie them to the growing kindness tree. Across two weeks an estimated 500 children made a commitment to kindness.

Creative and commercial

To maintain a dynamic and relevant connection with artists and audiences, QPAC seeks to foster innovation, leadership, and collaboration across the sector. The pace of change in the contemporary world, coupled with the significant challenges and disruptions presented by the COVID pandemic and flooding have driven a time of extraordinary agility within the organisation to adapt to a changing environment while maintaining the highest standards of service possible.

QPAC evaluates its creative and commercial strategic objective by measuring how efficiently it manages its theatres. Venue utilisation and revenue earned from commercial or private sources were inevitably impacted by necessary cancellations and postponements throughout the year; however, the organisation consolidated its experience from the year prior in efficiently reorganising

schedules and ticketing and maintaining clear communication with stakeholders throughout.

An agile and creative response to the pandemic

Productions throughout the year demonstrate the agility of QPAC, companies, and artists and the resilience of audiences to continue creating meaningful arts experiences through difficult circumstances and a rapidly changing environment. Many seasons from 2021-22 had already been rescheduled, some multiple times, due to ongoing and changing impacts from the COVID-19 pandemic, including capacity of theatres, barriers to travel, and social distancing.

Bangarra's *SandSong: Stories from the Great Sandy Desert*, rescheduled from August 2020 to August 2021, was in jeopardy of cancellation as a result of a lockdown in Sydney. By securing additional funding from the Queensland Government and Australia Council, QPAC and Bangarra were able to find an innovative solution, relocating the company to Darwin for quarantine at the Howard Springs facility. The timing of quarantine forced the cancellation of the first three performances of the season, reducing the number of performances from eleven to eight. In line with Brisbane's then current restriction, the season ran at 50 per cent capacity for the first five performances, rising to 75 per cent for the final three.

The musical adaptation of Roald Dahl's *Charlie and the Chocolate Factory* commenced rehearsals in late July for a September season. With several cast and crew due to arrive from declared COVID hotspots, QPAC collaborated with Arts Queensland to seek exemptions from the Queensland Government and to arrange appropriate quarantine facilities. Subsequent lockdowns in Brisbane saw the company move to an online format for some rehearsals. The season was well attended and extended to an extra fifth week. A proposed sixth week was not possible due to quarantine rules for the production to move to Perth. A 75 per cent capacity restriction incurred from 30 September had a minor impact on the final three performances.

For the season of *Boy Swallows Universe*, rescheduled from Brisbane Festival 2020, QPAC worked with Arts Queensland to secure exemptions and quarantine arrangements for cast and crew arriving from New South Wales. The season broke Queensland box office records for drama with more than 35,000 attendees, despite 75 per cent capacity restrictions during its final two weeks.

The challenges for productions to proceed, however, were not always able to be overcome. Seasons for *The Ring* and *Aida*, originally scheduled for 2020, were to be presented in October 2021 in association with Opera Australia. Due to the complexity of the production and the international cast and audience, these dates were unable to proceed and performances were again postponed and re-contracted for December 2023.

Ongoing impacts from flooding

QPAC worked closely with Arts Queensland and contractors to address recovery following the February 2022 floods across the site. Recovery works were impacted by labour and materials shortages, including critical parts which are in high demand as many locations along Australia's eastern seaboard respond to continued flooding events.

Key dates:

- Queensland Police closed precinct: 27 February
- Lyric Theatre reopened: 18 March
- Concert Hall reopened: 17 March
- Cremorne Theatre reopened: 1 April
- Playhouse reopened: 27 May

The Playhouse saw the most extensive damage including to fire systems which is why it reopened later than other venues.

A total of 99 performances were cancelled or rescheduled throughout QPAC due to flood impacts. These include *The Jam Club* at the Melbourne Street Green and World Science Festival events, as well as:

- 21 performances of *Disney's Frozen: The Musical*. The majority of these patrons exchanging to later in the season and a reduction in saleable capacity for new audiences.
- 11 performances in the Concert Hall
- 6 performances of *Jali* by *Oliver Twist* in the Cremorne Theatre
- 6 seasons in the Playhouse including seasons from Queensland Ballet and Circa

Contribution towards the New Performing Arts Venue

Construction on the New Performing Arts Venue (NPAV) continues. Labour and materials shortages have caused disruption, whether due to the ongoing COVID pandemic, the impact of the flood event, or the complexity of the building supply issues.

Lendlease, the managing contractor, continues to work through these challenges to deliver the project on budget. QPAC has remained apprised of these challenges and has addressed the programming schedule accordingly.

Throughout the design and construction process, QPAC has provided expert guidance and advice on technical and other essential matters. This includes detailed consultation sessions with major hirers and inhouse teams to advise all consultants involved on the best outcomes for this complex project.

In 2018, QPAT undertook to make a \$25 million financial contribution towards the design and construction of the NPAV. In the 2020-21 financial year, QPAC paid \$12.75 million of this target, leaving \$6 million remaining, due for payment in the 2022-23 financial year. A specialist fundraising organisation has been engaged to assist QPAC with the development of a comprehensive fundraising strategy, which will be launched in the second half of 2022.

Sale of 12 Merivale Street, South Brisbane

In 1996, QPAC purchased from Opera Queensland the freehold property at 12 Merivale Street, South Brisbane. The building on the property was tenanted to arts organisations and was fitted out for use as office, performance, and rehearsal studio spaces.

In order to meet its commitment of \$25 million towards construction of the NPAV, QPAC sold this property on 7 October 2021 to St Vincent De Paul Society for \$6.5 million.

QPAC's last tenants at 12 Merivale Street were Camerata of St John's, Southern Cross Soloists, and Black Drum Productions. These companies have been relocated with the assistance of QPAC and Arts Queensland. Camerata is now one of QPAC's companies in residence.

QBuild handled the sale in accordance with the process for the disposal of government land and buildings. Following final settlement on 6 December 2021, the net proceeds were applied (in full) to the New Performing Arts Venue. Through the sale of this property, QPAC was able to turn an under-utilised asset into a significant contribution towards a new 1500-seat theatre.

PCI compliance and cyber security initiatives

QPAC's Payment Card Industry Data Security Standard (PCIDSS) compliance program was further strengthened by the engagement of a specialist contractor to provide a PCIDSS Continual Compliance Service.

QPAC has continued to progress the development of its National Institute of Standards and Technology (NIST) Cyber Security Framework introduced from 2018. A range of initiatives—including the development of specific purpose plans, testing, and training exercises—was conducted during the year consistent with the requirements of the NIST Framework. The current security framework provides a platform for progression to achieve full compliance with the ISO27001 Standard which will be a key objective in the next Cyber Security Strategy to be developed for 2022-23.

Expertise in digital production

QPAC has been actively building capacity and expertise in digital production through a combination of selective recruitment and training. A new strategy brings salaries into line with broadcast industry in order to attract experienced staff, which in turn enables QPAC to retain existing experienced staff in fundamental roles of live performance.

Asset sustainability in partnership with Arts Queensland

Key QPAC staff are members of the Queensland Cultural Centre Sustainability Action Group, responsible for developing targeted initiatives aimed at:

- Waste avoidance
- Waste reduction
- Maximising reuse and recycling
- Managing priority waste streams
- Increasing renewable energy usage
- Improving sustainability

Initiatives across the cultural centre precinct have included:

- Energy efficient lighting replacement program
- Zonal motion sensor lighting to reduce power consumption
- Power factor correction to minimise energy losses through electrical plant and equipment
- Reductions in operating temperature/humidity 'bandwidths' for HVAC systems
- A major upgrade of the QCC Central Energy Plant (CEP) to increase capacity and efficiency

First Nations

QPAC has committed to prioritising reconciliation led by First Nations knowledge and expertise, a commitment that extends both to elevating First Nations arts and culture and creating opportunities for First Nations peoples to thrive in our business and operations. This year marked two significant steps in this journey with the consolidation of the Aboriginal and Torres Strait Islander Advisory Group and the establishment of QPAC's Reflect Reconciliation Action Plan. QPAC has also advanced its commitment to First Nations artists through programming and through plans for the New Performing Arts Venue.

Aboriginal and Torres Strait Islander Advisory Group

After its establishment in 2020-21, the Aboriginal and Torres Strait Islander Advisory Group has continued to play an essential role in advancing QPAC's commitment to reconciliation. Contractors and external specialists have

also been employed as required to support the Advisory Group outcomes including a Consultation Specialist to guide QPAC's Engagement Strategy with the First Nations community of Queensland and to guide relevant NPAV planning.

Reconciliation Action Plan (RAP)

QPAC contracted PwC's Indigenous Consulting to guide the development of QPAC's RAP with a process including an All Staff survey and a series of co-design meetings with the Board, Executive and Advisory Group. In addition to this, QPAC initiated Cultural Capability Training for the Board and Executive Team in November 2021 provided by Arilla.

After review and approval from Reconciliation Australia, QPAC's first stage Reflect RAP was launched in the Concert Hall on 9 June 2022 with the Minister for the Arts present to unveil both the document and the commissioned artwork featured throughout by artist Jennifer Kent.

QPAC has twelve months to complete actions from the RAP.

New First Nations Work

Development on the page-to-stage adaptation of Anita Heiss' best-selling novel, *Tiddas*, continued throughout this year culminating in its world premiere as part of the 2022 Brisbane Festival. QPAC, La Boite, and Brisbane Festival will co-present the production in September 2022.

Margaret Harvey is working on *Gubal Thayemin* with further creative development planned for 2022-23 pending funding. Ahead of that time Margaret will work with acclaimed Sydney based dance theatre group Force Majeure. The work, now tentatively titled *Usulal* is a First Nations Woman's solo theatre work exploring the Indigenous female form through myths and legends of the Torres Strait, crossing between music/sound design, physical form and digital visual design. QPAC has supported the work since 2018 in a variety of ways and will consider any ongoing relationship with the appointment of a Head of First Nations programming.

Sparks 2021 – Public Reading

Sparks is a Playlab Theatre and QPAC partnership program that supports First Nations writers taking their first steps into playwriting. Two Sparks participants had 30-minute readings at La Boite Theatre on 11 November 2021 of their plays developed through the project. This encompassed development sessions with First Nations directors and actors and a public reading. The readings were received well and continued conversations about how these works can be supported into production.

Sparks 2022

Five writers have been selected to participate in 2022. The program consists of three major deliverable stages over the year. The program began with online workshops on 14 April and 5 May. The second-stage writing retreat took place 27-30 June in Maleny. In attendance were QPAC staff, a Playlab dramaturg, and Sparks writers from Townsville and Brisbane. This was the first opportunity for the writers to meet in person and all participants built rapport over the retreat, which consisted of group workshops led by Playlab and individual writing and one-on-one sessions. The final stage of the program will take place in October (creative development with actors and public readings of 10min extract of their scripts).

Clancestry: A Celebration of Country, 13 – 28 May 2022

The sixth presentation of *Clancestry* since the inaugural festival in 2013 commenced on 13 May 2022. The program engaged 132 artists—representing 34 distinct Aboriginal and Torres Strait nations—over two weeks. The program includes free and ticketed events, in theatre and outdoor venues, an exhibition, as well as events focused on children and Elders. The design for the Festival is based on a commissioned work from Casey Coolwell-Fisher, a Quandamooka, Nunukul woman of Minjerribah.

- *First Gathering*: The First Gathering was relocated from the Melbourne Street Green to the Cremorne Theatre due to weather. Led by Gaja Kerry and Shannon Ruska and his team from Tribal Experiences, the event commenced with a smoking ceremony followed by traditional song and dance.
- *Blak Social Green Jam*: QPAC engaged Blak Social to curate a line up of senior music figures from the First Nations music scene for each Friday of *Clancestry* 2022.
- *Welcome Morning Teas*: In the spirit of traditional Welcomes to Country, these events were designed to welcome artists to QPAC and make them feel at home in the space while mingling with other artists and creatives.
- *Clancestry Lunch Break Program*: Throughout the festival, QPAC invited the cultural precinct community to participate in workshops and attend performances showcasing traditional knowledge and practices as well as contemporary experiences of Aboriginal and Torres Strait Islander People.
- *MOB Words*: An ongoing series of art installations that depicts contemporary language and jargon of Aboriginal and Torres Strait Islander community.
- *Elders' Program*: Though an important part of *Clancestry*, many invited organisations were cautious about the risk of COVID and related restrictions. Weather, staff sickness, and competing events also combined to impact attendance. Despite these

challenges, the program was well received by Elders who could attend.

- *Cooked*: A brand new work made by Digi Youth Arts, a company of young artists and creators, and The Good Room, a Queensland-based performance collective who use the anonymous experiences of ordinary people to create extraordinary theatre works.
- *Blaktivism*: A one-night-only performance, *Blaktivism* was a central piece of the *Clancestry* 2022 program featuring a wealth of musical artists and activists focusing on Blak Activist movements in Australia.
- *Namul Namul Day*: Each Saturday of the festival was a dedicated children's day, a first for *Clancestry*. Performances and activities showcased traditional knowledge and the importance of cultural teaching in an interactive and fun environment for young children to understand.
- *Biggest Mobs*: *Biggest Mobs* was a series of free outdoor events on the Melbourne Street Green celebrating First Nations music, comedy, dance, drag performers, and poetry.
- *Stories From Here Exhibition*, Tony Gould Gallery: Community and connection emerged as fundamental themes in this exhibition where Jo-Anne Driessens reflected on the capacity of her photography to document important connections made through the gathering of First Nations people.
- *First Nations Storytellers Tunnel Exhibition*: Connection to place and the significance of water to First Nations peoples lies at the heart of this exhibition where seven respected artists reflect upon their journeys and connections to Country and community.

First Nations Art in the New Performing Arts Venue

QPAC has appointed a review panel with a majority First Nations members to recommend the most suitable artist(s) and concept(s) for commissioning in the New Performing Arts Venue.

First Nations consultation specialist, Cameron Costello, has been appointed to consult on the embedded First Nations Public Art and naming for the NPAV.

The Apology 2022

Each year Link-Up (QLD) hosts an event at QPAC that commemorates the anniversary of the National Apology to the Stolen Generations. This event encourages a remembrance of Stolen Generations and those whose lives have been blighted by past government policies of forced child removal and assimilation.

This year's event, marking the 14th anniversary of the National Apology, featured keynote addresses from Dr (Aunty) Ruth Hegarty and Aboriginal activist Patricia Turner AM, CEO National Aboriginal Community Controlled Health Organisation and Lead Convener of the Coalition of

Peaks. The event included performances by First Nations Artists Ken Jacobs and Rochelle Pitt Watson as well as addresses from Minister for Aboriginal and Torres Strait Islander Partnerships the Hon. Craig Crawford MP and a representative of Federal Member for Griffith Terri Butler MP.

Link-Up (Qld) Aboriginal Corporation aims to bring a sense of peace, identity and belonging to Aboriginal and Torres Strait Islanders who have been separated from their family and culture. They provide support to reunite with First Nations people and country where contact has been lost due to forced removal, fostering, adoption or institutionalisation.

FINANCIAL PERFORMANCE

Summary of financial performance

QPAC's Financial Statements 2021-22 reflect the ongoing financial impact of the COVID-19 Pandemic and specific information is provided in note G1-1. Although not as extensive as the previous financial year, there were a significant number of event cancellations and rescheduling which impacted on business operations but were not eligible under the Queensland Government Insurance Fund (QGIF) policy due to the cessation of COVID-19 related coverage from 31 March 2021. The Brisbane Flood in February 2022 caused further cancellations and rescheduling and these are the subject of an insurance claim currently being reviewed by QGIF. The reported operating result was a surplus of \$3.599 million, with key factors being the relative increase in levels of business activity (including five major commercial seasons) particularly after the opening of borders in December 2021, the gain on sale of the Merivale Street property, an exemption from payroll tax due to QPAC being a registered Charitable Institution and a donation of a gifted asset (classified as an investment property). The result favourably compares to the original budget for a breakeven result, which was based on an expectation of a gradual return to consistent levels of trading and venue occupancy. Explanations of major variances against the original budget are provided in note G1-2.

Income from Continuing Operations in 2021-22 of \$62.602 million increased by \$9.071 million compared to the prior year (2020-21: \$53.531 million). This includes revenue from user charges and fees which amounted to \$39.299 million, a comparative increase of \$14.338 million due to the increase in the level of activity despite some COVID related cancellations and rescheduling of performances across all venues and the impact of the Brisbane Flood in late February 2022.

Rental income, revenues from ticketing commissions and charges, sales of food and beverage and income from services provided to commercial hirers (note C1-1) all increased in line with the relatively higher levels of trading activity. QPAC presented a diverse program underpinned by five major commercial seasons: *West Side Story*, *Charlie and the Chocolate Factory*, *American in Paris*, *Frozen* and *9 to 5 The Musical*. The value of rental concessions provided to Queensland Government subsidised cultural organisations, charitable organisations, Government Departments and educational institutions was \$0.640 million in 2021-2022 (2020-21: \$0.891 million).

Grants, contributions and donations (see detail in Note C1-2) amounting to \$19.791 million (2020-21: \$16.175 million) includes the operating grant of \$10.647 million (2020-21 \$5.350 million) which reflects the return to the standard grant allocation following the temporary

reduction in the previous year due to the \$5.2 million advance in 2019-20 as a COVID cash flow mitigation measure. Special Purpose Grants were minimal in 2021-22 compared to \$3.187 million in 2020-21 for waivers of facilities fees, funding for LED lighting initiatives and for arts recovery presentations. The contribution by Arts Queensland of rent below fair value of \$7.502 million for the use of the premises by QPAC in the Cultural Precinct is also recognised. There is a corresponding rental expense for the same amount (see Note C2-2). Donations significantly increased to \$1.618 million compared to \$0.097 million in 2020-21 primarily due to the receipt of a gifted asset valued at \$1.065 million (see note D7) and a substantial cash donation.

Other Income of \$3.512 million in 2021-22 includes \$2.094 million gain on the sale of the Merivale Street property and \$1.050 million as a result of the exemption from payroll tax (see Note C1-3). It is also notable that there were no insurance proceeds (compared to 2020-21 \$12.052 million) and this was due to the end of the insurance period for coverage of COVID-19 related claims on 31 March 2021. This change is a consideration in setting the level of financial reserves and managing ongoing liquidity risk.

The proportion, type and timing of QPAC presentations and co-presentations influenced the differentials to the levels of revenues and expenses compared to the previous financial year and these are detailed in notes C1-1 and C2-2 of the Financial Statements. In particular, prior year comparatives of project income and related cost of services (non-labour) between years are affected by relatively high levels of income and expenditure arising from the presentation of an increased number of QPAC productions and co-productions, including a major co-production in 2021-22.

Employee expenses of \$26.441 million in 2021-22 increased by \$2.133 million compared to the previous financial year (2020-21: \$24.308 million). The increase was primarily due to higher levels of direct casual employment in production, visitor and hospitality services and food and beverage as a result of relatively higher levels of activity. A notable change is the exemption from payroll tax in 2021-22 (see note C2-1) as a registered charitable institution (2020-21 \$1.138 million).

Liquidity risk was carefully managed through the combination of balancing operating activity cash flows, generating proceeds from the sale of the Merivale Street property and utilising accumulated cash reserves to enable substantial contribution instalments towards the new theatre construction whilst sustaining ongoing business operations. There was an overall decrease in cash and cash equivalents by \$7.195 million. Significant

movements included net cash inflows of \$5.824 million provided by investing activities (primarily due to the sale of Merivale Street) and transactions amounting to \$12.750 million for the payment by equity withdrawal (see note F5 of instalments towards QPAC's \$25 million contribution to the construction of the new performing arts venue. The accumulated value of instalments paid is \$19 million leaving a remaining balance of \$6 million due by 31 December 2022.

Payments for plant and equipment amounted to \$0.324 million and was lower compared to the \$1.926 million expenditure in 2020-21 which reflected the purchase and installation of LED theatrical lighting from a Special Purpose Grant.

QPAC's Trust Fund balance is not incorporated in the main statements but is recorded in Note D2-Additional Disclosures. The Trust Fund balance amounted to \$20.534 million at 30 June (2021: \$20.577 million) and the total ticket sales processed through the trust fund for the year (see Note C1-1) was \$83.207 million (2021: \$54.330 million).

QPAC's general reserves (as in Note E1) are set aside for specific purposes and amounted to \$10.281 million as at 30 June 2022, a decrease of \$8.564 million compared to the \$18.845 million of the previous year. The general reserves as at 30 June 2022 include \$3 million of funds

allocated (see Building Development Reserve) towards QPAC's contribution to the new performing arts venue. The aggregate of other general reserves is \$7.281 million available for a range of specific purposes and collectively are available to sustain business operations as the COVID crisis continues to evolve.

Going Concern

Correspondence dated 20 May 2020 from the State Treasurer of Queensland committed to providing necessary support to QPAC and continues to provide the Board assurance that QPAC is a going concern. A review of QPAC's financial sustainability was undertaken in the last quarter of the 2019-20 financial year by Queensland Treasury Corporation (QTC). The QTC review led to a range of financial support measures from government which, in combination with the proceeds of insurance claims, sustained business operations through the initial COVID-19 crisis period. The 2021-22 financial year has achieved a return to higher levels of trading activity despite lockdowns and border closures in the first six months, the outbreak of COVID-19 in early 2022 and the Brisbane Flood in February 2022. Flexible management of the venue schedules combined with the availability of substantial financial reserves and the letter of government support from the Treasurer ensure that QPAC continues to be a Going Concern.

QUEENSLAND PERFORMING ARTS TRUST FINANCIAL STATEMENTS

For the Year Ended 30 June 2022

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

		2022 Actual \$'000	2022 Original Budget \$'000	2022 Budget Variance* \$'000	2021 Actual \$'000
OPERATING RESULT	<i>Notes</i>				
Income					
User charges and fees	C1-1	39,299	44,459	(5,160)	24,961
Grants, contributions and donations	C1-2	19,791	18,596	1,195	16,175
Other income	C1-3	3,512	510	3,002	12,395
Total Income from Continuing Operations		62,602	63,565	(963)	53,531
Expenses from Continuing Operations					
Employee expenses	C2-1	26,441	26,707	(266)	24,308
Supplies and services	C2-2	30,489	35,181	(4,692)	25,058
Depreciation and amortisation		1,313	1,312	1	1,159
Other expenses	C2-3	760	365	395	659
Total Expenses from Continuing Operations		59,003	63,565	(4,562)	51,184
Operating Result from Continuing Operations		3,599	-	3,599	2,347
Other Comprehensive Income					
Total Other Comprehensive Income		-	-	-	-
Total Comprehensive Income		3,599	-	3,599	2,347

**An explanation of major variances is included at Note G1-2
The accompanying notes form part of these financial statements*

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

		2022 Actual \$'000	2022 Original Budget \$'000	2022 Budget Variance* \$'000	2021 Actual \$'000
ASSETS	<i>Note</i>				
Current Assets					
Cash and cash equivalents	D1	11,650	23,953	(12,303)	18,845
Receivables	D2	2,545	1,713	832	1,484
Inventories		281	324	(43)	302
Prepayments and other current assets	D3	1,713	6,566	(4,853)	975
Non-current assets held for sale	D4	-	-	-	4,354
Total Current Assets		16,189	32,556	(16,367)	25,960
Non-Current Assets					
Right-of-use assets		57	42	15	42
Intangible assets	D6	80	331	(251)	250
Property, plant and equipment	D5	8,113	13,466	(5,353)	9,040
Investment property	D7	1,065	-	1,065	-
Total Non-Current Assets		9,315	13,839	(4,524)	9,332
TOTAL ASSETS		25,504	46,395	(20,891)	35,292
LIABILITIES					
Current Liabilities					
Payables	D8	3,228	5,131	(1,903)	4,223
Accrued employee benefits	D9	1,392	1,733	(341)	1,482
Other current liabilities	D10	1,252	512	740	819
Lease liabilities		36	-	36	30
Total Current Liabilities		5,908	7,376	(1,468)	6,554
Non-Current Liabilities					
Lease liabilities		23	42	(19)	14
Total Non-Current Liabilities		23	42	(19)	14
TOTAL LIABILITIES		5,931	7,418	(1,487)	6,568
NET ASSETS		19,573	38,977	(19,404)	28,724
EQUITY					
Contributed equity	D11	-			-
Accumulated surplus		6,933			3,308
Revaluation surplus	D5-5	2,359			6,571
General reserves	E1				
- Building development		3,000			4,405
- Equipment replacement		2,000			4,271
- Working capital		2,281			7,169
- Commercial development		3,000			3,000
TOTAL EQUITY		19,573			28,724

*An explanation of major variances is included at Note G1-3
The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Surplus		Revaluation Surplus (Note D5-5)		General Reserves (Note E1)		Contributed Equity		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance 1 July	3,308	5,568	6,571	6,571	18,845	19,455	-	1,033	28,724	32,627
Operating result	3,599	2,347	-	-	-	-	-	-	3,599	2,347
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
- Increase in revaluation surplus	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the Year	3,599	2,347	-	-	-	-	-	-	3,599	2,347
Transfers to owners (See Note F5 and D11)	(12,750)	(5,217)	-	-	-	-	-	(1,033)	(12,750)	(6,250)
Transfer of revaluation surplus to accumulated surplus	4,212	-	(4,212)	-	-	-	-	-	-	-
Transfers between reserves	8,564	610	-	-	(8,564)	(610)	-	-	-	-
Balance 30 June	6,933	3,308	2,359	6,571	10,281	18,845	-	-	19,573	28,724

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**CASH FLOWS FROM OPERATING ACTIVITIES**

		2022 Actual \$'000	2022 Original Budget \$'000	2022 Budget Variance* \$'000	2021 Actual \$'000
Cash Flows from Operating Activities	<i>Note</i>				
Inflows					
User charges and fees		38,821	44,354	(5,533)	23,950
Grants, contributions, and donations		11,299	11,117	182	7,487
Interest		240	510	(270)	268
GST collected on sales		5,118	4,777	341	1,656
GST input tax credits received from Australian Tax Office		3,691	1,755	1,936	2,392
Other income		1,103	-	1,103	12,127
Outflows					
Employee expenses		(26,531)	(26,707)	176	(24,549)
Supplies and services		(25,027)	(27,982)	2,955	(15,355)
GST paid on purchases		(3,778)	(2,324)	(1,454)	(2,611)
GST paid to Australian Taxation Office		(5,153)	(4,216)	(937)	(1,281)
Net cash provided by/(used in) operating activities	<i>CF-1</i>	(217)	1,284	(1,501)	4,084
Cash Flows from Investing Activities					
Proceeds from sale of non-current assets held for sale		6,448	-	6,448	-
Payments for plant and equipment		(324)	(1,000)	676	(1,926)
Loan issued		(300)	-	(300)	-
Net cash provided by/(used in) investing activities		5,824	(1,000)	6,824	(1,926)
Cash flows from financing activities					
Lease payments		(52)	(12)	(40)	(27)
Equity withdrawal	<i>D11</i>	-	-	-	(6,250)
Payment for New Performing Arts Venue	<i>F5</i>	(12,750)	-	(12,750)	-
Net cash used in financing activities		(12,802)	(12)	(12,790)	(6,277)
Net increase/(decrease) in cash and cash equivalents		(7,195)	272	(7,467)	(4,119)
Cash and cash equivalents at the beginning of financial year		18,845	23,681	(4,836)	22,964
Cash and cash equivalents at the end of financial year	<i>D1</i>	11,650	23,953	(12,303)	18,845

**An explanation of major variances is included at Note G1-4
The accompanying notes form part of these financial statements*

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022**NOTES TO STATEMENT OF CASH FLOWS**

CF-1	Reconciliation of Operating Result to net cash (used in) provided by Operating Activities	2022 \$'000	2021 \$'000
	Operating Surplus	3,599	2,347
	<i>Non-cash items included in operating result:</i>		
	Depreciation and amortisation	1,313	1,159
	(Gain)/Loss on disposal of property, plant and equipment	(1,835)	36
	Decrease in fair value of loans receivable	150	-
	Impairment losses on assets held for sale	-	259
	Gain on revaluation of investment property	(75)	-
	Assets written off	63	-
	Donated asset	(990)	-
	<i>Change in Assets and Liabilities:</i>		
	(Increase)/decrease in receivables	(975)	(1,138)
	(Increase)/decrease in inventories	21	2
	(Increase)/decrease in prepayments and other current assets	(748)	(669)
	(Increase)/decrease in GST input tax credits receivables	(87)	(219)
	Increase/(decrease) in GST payables	(34)	374
	Increase/(decrease) in payables	(962)	1,828
	Increase/(decrease) in accrued employee benefits	(90)	(241)
	Increase/(decrease) in other liabilities	433	346
	Net Cash provided by (used in) Operating Activities	(217)	4,084

CF-2 Non-Cash Investing and Financing Activities

QPAC entered into a 3 year term lease contract in December 2019 for a storage facility and entered into another 3 year term lease contract in July 2022 for a further storage facility. This resulted in recognising a right-of-use asset and lease liability in accordance with the recognition and measurement requirements of AASB 16. No other non-cash investing and financing activities occurred during the year.

CF-3 Changes in liabilities arising from financing activities

2022	Opening Balance	Non-Cash Changes New Leases Acquired	Cash Flows Cash Repayments	Closing Balance
Lease Liabilities	44	67	(52)	59
Total	44	67	(52)	59

SECTION 1

ABOUT QPAC

A1 QPAC INFORMATION

A1-1 General Information

The Queensland Performing Arts Trust (QPAC) is a Queensland Government agency established under the *Queensland Performing Arts Trust Act 1977*. QPAC is a charity registered under the *Australian Charities and Not-for-profits Commission Act 2012* and is also a Deductible Gift Recipient entity. The head office and principal place of business of QPAC is 100 Grey Street, South Brisbane, Qld 4101.

A1-2 Objectives and Principal Activities of QPAC

The objectives of QPAC are to produce, present, and manage the performing arts in the Queensland Performing Arts Centre, and elsewhere, as well as to promote and encourage either directly or indirectly the knowledge, understanding, appreciation, enjoyment of and participation in the performing arts. QPAC is partly funded for the outputs it delivers by grants received from Arts Queensland. It also provides services on a fee for service basis including venue rental, production services, ticket sales, marketing services and equipment hire.

A1-3 Authorisation of Financial Statements for Issue

The Financial Statements are authorised for issue by the Chair of QPAC, the Director (Chief Executive) and the Executive Director – Business Performance at the date of signing the Management Certificate.

SECTION 2

FINANCIAL STATEMENTS PREPARATION

B1 BASIS OF FINANCIAL STATEMENTS PREPARATION

B1-1 Compliance with Prescribed Requirements

QPAC has prepared these Financial Statements in compliance with section 39 of the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

QPAC is a not-for-profit entity, and these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

B1-2 The Reporting Entity

The Financial Statements include all income, expenses, assets, liabilities and equity of QPAC as an individual economic entity. QPAC does not control or have significant influence over other entities.

B1-3 Presentation

Currency and Rounding

Unless otherwise stated, amounts in the report are in Australian dollars and have been rounded to the nearest thousand dollars or where that amount is \$500 or less, to zero, unless disclosure in full amount is specifically required.

Comparative Figures

Comparative figures and disclosures reflect the audited 2020-2021 Financial Statements.

Classification between Current and Non-current

Assets and liabilities are classified as either “current” or “non-current” in the Statement of Financial Position and associated notes.

Assets and liabilities are classified as “current” where their carrying amounts are due to be settled within 12 months after the reporting date, or QPAC does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as “non-current”.

B1-4 Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for the following:

- Annual leave entitlements expected to be settled 12 or more months after reporting date which are measured at their present value;
- Loans receivable which are measured at fair value;
- Land, buildings, heritage and cultural assets and investment property which are measured at fair value; and
- Inventories which are measured at the lower of cost and net realisable value.

B1 BASIS OF FINANCIAL STATEMENTS PREPARATION *(continued)***B1-4 Basis of Measurement** *(continued)***Historical Cost**

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

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 under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Fair value is determined using one of the following three approaches:

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business. This approach is relevant to the fair value measurement of land and buildings. Refer to Note D5-4 for further details.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current/depreciated replacement cost methodology. This approach is relevant to fair value measurement of heritage and cultural assets. Refer to Note D5-4 for further details.
- The income approach converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts. This approach is relevant to the fair value measurement of loans receivable.

Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

Net Realisable Value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

B1-5 Taxation

The activities of QPAC are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, input tax credits receivable from and GST payable to the Australian Taxation Office are recognised.

B2 NEW AND REVISED ACCOUNTING STANDARDS ADOPTED DURING THE YEAR

No new accounting standards or interpretations that apply to QPAC for the first time in 2021-22 had any material impact on the financial statements.

Following the issuance of IFRIC's agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement in April 2021, QPAC has changed its accounting policy for certain cloud computing and software-as-a-service (SaaS) costs. The effects of this change is detailed below.

Configuration or Customisation costs in a cloud computing arrangement**1. Summary of change in accounting policy**

QPAC changed its accounting policies in 2021-22 after completing a full analysis of the Trust's previously capitalised software in response to the IFRIC agenda decision released in March 2021. The Trust's new accounting policy now considers where the software code resides, whether it is identifiable and whether the Trust has the power to both obtain economic benefits from the software and restrict the access of others to those benefits. Configuration or customisation costs that do not qualify for recognition as an intangible asset are further assessed as to the appropriate timing of expense recognition, using the following criteria:

- a) Where the configuration or customisation is considered a distinct (i.e. separately identifiable) service from the subsequent access to the cloud software, the costs are expensed when the configuration or customisation services are received. This is typically the case when the vendor providing the services is different from the vendor providing access to the software.
- b) Where the configuration or customisation is not a distinct service from the Trust's right to access the software, the costs are expensed over the period of access on a straight-line basis. A prepayment asset is recognised.
- c) When the payment is made upfront. This is usually the case when the same vendor is providing both the configuration or customisation services and the access to the cloud software.

Any software that qualifies as an intangible asset is recognised and are accounted for in accordance with the Trust's existing accounting policies on software assets in Note D6, which have not changed.

2. Impact of changes

There has been no financial impact for QPAC held capitalised software intangibles in prior year or current year.

B3 AUSTRALIAN ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

All other Australian accounting standards and interpretations with future effective dates are either not applicable to the QPAC's activities or have no material impact on QPAC.

SECTION 3

NOTES ABOUT FINANCIAL PERFORMANCE

C1 INCOME

C1-1 User Charges and Fees

	2022	2021
	\$'000	\$'000
Rental income	5,251	2,983
Project income	11,522	9,695
Sales - food and beverage	7,640	3,688
Car park voucher	460	668
Ticketing commission and charges	6,642	4,506
Services provided to commercial hirers	7,382	3,208
Sponsorship	328	156
Other service revenue	74	57
	39,299	24,961

Accounting Policy – Rental Income

QPAC offers venue hire in its Lyric Theatre, Concert Hall, Playhouse, Cremorne Theatre, and a variety of versatile event spaces. Rental income arising is accounted for when QPAC provides access to the venues as agreed in the contract and is included in revenue in the Statement of Comprehensive Income due to its operating nature.

Rental income – venues

Rental concessions provided by QPAC to Government subsidised cultural organisations, charitable organisations, government departments and educational institutions, amounted to \$0.640 million (2020: \$0.891 million). These concessions are provided by QPAC in accordance with QPAC's objectives under the *Queensland Performing Arts Trust Act 1977*.

Accounting Policy – Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which QPAC is expected to be entitled in exchange for transferring goods or services to a customer.

Revenue is recognised when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Accounting Policy – Revenue from Contracts with Customers (continued)

QPAC defers any monies received in advance as a contract liability and recognises revenue as or when the performance obligations are satisfied. A contract asset (accrued income) is recognised when QPAC transfers goods or services to a customer before the customer pays consideration or before the payment is due.

Project income

Project income relates to ticket sales from QPAC's curatorial activities (e.g. project shows, workshops). Revenue is recognised once the activity has been completed as this is when the performance obligation is satisfied.

Sales – food and beverage

Revenue from sale of food and beverage is recognised when the control of the goods has transferred to the customer. The control of the goods transfers to the customer at the point of sale.

Ticketing commission

QPAC reports revenue from ticket sales on a net revenue inflow basis where it acts as an agent rather than as a principal. Revenue is recognised when the ticket sale is finalised as this is when the performance obligation is satisfied.

The amount of ticket sales for the year ended amounted to \$83.207 million (2021: \$54.330 million).

Revenue from provision of services

Revenue from provision of services is recognised when the performance obligation has been satisfied.

Sponsorships

QPAC receives support in the form of money or in-kind contributions and in return provides advertising, signage or naming rights, or other benefits of value to the sponsor. Sponsorship contributions are recognised as revenue when the performance obligation has been satisfied.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

C1 INCOME *(continued)*

C1-2 Grants, Contributions and Donations

Additional Disclosures

	2022	2021
	\$'000	\$'000
Operating grant	10,647	5,350
Special purpose grants	24	3,187
Contributions	7,502	7,541
Donations	1,618	97
	19,791	16,175

Accounting Policy – Grants and Donations

Grants

For grants received to acquire or construct a recognisable non-financial asset that is retained by QPAC for its own use, QPAC defers any grant monies received as unearned income and recognises income as or when QPAC satisfies its obligation to purchase or construct the recognisable non-financial asset.

For grants that do not meet the enforceable and sufficiently specific performance obligations criteria of AASB 15, income is recognised on recognition of the financial asset under AASB 1058.

When a grant contains both enforceable performance obligations and a donation component to enable QPAC to further its objectives, income is recognised by allocating the grant between the performance obligations (AASB 15) and the donation component (AASB 1058).

Donations

Revenue is recognised on recognition of the financial asset under AASB 1058.

Contributions of goods or services received by QPAC at a value below fair value are recognised as revenue at their fair value only if the goods or services would have been purchased had they not been donated/ received, and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

Contributed physical assets are recognised at their fair value.

Operating grant

Operating grant relates to the monies received from Arts Queensland annually. This grant is to support QPAC's overall objective to strengthen Queensland's arts sector and contribute to the cultural, social and intellectual development of all Queenslanders.

QPAC considered that the operating grant does not create enforceable rights and obligations and contain promises to deliver goods and services that are "sufficiently specific"; therefore, accounted this under AASB 1058 and recognised on receipt of the financial asset.

Special purpose grants

QPAC has recognised additional grant income of \$nil million (2021: \$1.146 million) from Arts Queensland by way of a debt waiver provided to assist with the financial impacts of the COVID-19 pandemic.

Other special purpose grants relate to equipment and facility upgrade projects \$0.024 million (2021: \$2.041 million).

Further funding for a venue utilisation study received in 2019-20 has an unspent balance of \$0.345 million. The project term has been extended to October 2023.

Contributions

Contributions relate to the lease of the Queensland Performing Arts Centre provided by Arts Queensland which is considered as a peppercorn lease type arrangement. For the year ended 30 June 2022, contributions revenue was recognised being the amount as assessed by the State Valuation Service with a corresponding rent below fair value expense (refer to Note C2-2) of the same amount.

Donations

QPAC received a gifted asset (Investment Property). Refer Note D7 of \$0.990 million.

C1 INCOME *(continued)***C1-3 Other Income**

	2022	2021
	\$'000	\$'000
Interest	240	268
Investment income	53	75
Gain on revaluation of investment property	75	-
Gain on sale of property, plant and equipment	2,094	-
Insurance claim	-	12,052
Other – Payroll tax	1,050	-
	<u>3,512</u>	<u>12,395</u>

Accounting Policy – Other Income**Interest**

Interest is recognised at the time it is earned.

Accounting Policy – Other Income *(continued)**Investment income*

This relates to income from loans receivable.

Additional Disclosures*Insurance claim*

QPAC received an amount of \$12.052 million in 2020-21 financial year from the Queensland Government Insurance Fund for business interruption resulting from Government imposed restrictions for COVID-19.

Gain on sale of property, plant and equipment

Current assets held for sale were sold in December 2021.

Other income

QPAC received an exemption for payroll tax as a registered charitable institution. The amount represents payroll tax paid in the previous financial year that was refunded to QPAC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

C2 EXPENSES

C2-1 Employee Expenses	2022 \$'000	2021 \$'000
Salaries and wages	23,052	20,347
Employer superannuation contributions	2,396	2,054
Long service leave levy	578	476
Payroll tax	-	1,138
WorkCover insurance	397	284
FBT	18	9
	26,441	24,308
Full time equivalent employee	<u>307</u>	<u>277</u>

Accounting Policy – Employee Expenses

Salaries and wages

Salaries and wages due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. As QPAC expects such liabilities to be wholly settled within 12 months of the reporting date, the liabilities are recognised at undiscounted amounts.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment.

Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Annual leave

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values.

Annual leave is classified as a current liability as QPAC does not have an unconditional right to defer settlement beyond 12 months.

Accounting Policy – Employee Expenses
(continued)

Long service leave levy

Under the Queensland Government's Long Service Leave Scheme, a levy is made on QPAC to cover the expense. Amounts paid to employees as and when leave is taken for long service leave are claimed quarterly in arrears from the scheme.

Payroll tax

QPAC received an exemption to pay payroll tax during the current year as a registered charitable institution.

Workers' compensation premiums

QPAC pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' Compensation insurance premiums are a consequence of employing employees but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Sick leave

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Additional Disclosures

Key management personnel remuneration

Key management personnel and remuneration disclosures are detailed in Note F4.

C2 EXPENSES *(continued)***C2-2 Supplies and Services**

	2022	2021
	\$'000	\$'000
Cost of services non labour	11,166	8,723
Rental below fair value	7,502	7,541
Facilities costs	4,298	3,976
Stock and consumables/materials	2,840	1,348
Administration, office costs and travel	3,342	2,912
Repairs, maintenance and equipment costs	648	254
Contractors, consultants, legal	693	304
	30,489	25,058

Accounting Policy – Supplies and Services

For a transaction to be classified as supplies and services, the value of goods or services received by QPAC must be of approximately equal value to the value of the consideration exchanged for those goods or services.

Additional Disclosures*Rental below fair value*

Refer to Note C1-2 for further details on the lease of the Queensland Performing Arts Centre provided by Arts Queensland. QPAC pays rent below fair value for the use of premises in the Cultural Precinct.

Facilities costs

Arts Queensland, through the Department of Communities, Housing and Digital Economy, owns and maintains the Queensland Performing Arts Centre premises on behalf of the State of Queensland. QPAC has use of the building and items of fit out, including certain items of plant and equipment that are not performance related, by way of a service level agreement with the Corporate Administration Agency (CAA).

Stock and consumables/materials

Stock and consumables/materials relate to food, beverage, consumables and materials used by QPAC in its food and beverage and production activities.

C2-3 Other Expenses

	2022	2021
	\$'000	\$'000
External audit fees (1)	62	60
Insurance (2)	197	157
Bank charges	117	105
Asset scrap write down	159	36
Impairment loss on assets held for sale (3)	-	259
Decline in fair value expense (4)	150	-
Other	75	42
	760	659

Additional Disclosures

- (1) The amount of external audit fees is as quoted by the Queensland Audit Office. There are no non-audit services included in these amounts.
- (2) Insurance with Queensland Government Insurance Fund was \$0.165 million (2021 \$0.155 million).
- (3) The difference between the carrying amount and fair value less costs to sell for assets held for sale resulted in an impairment loss.
- (4) A loans receivable made by QPAC was assessed and a decline in fair value expense recognised.

SECTION 4**NOTES ABOUT FINANCIAL POSITION****D1 CASH AND CASH EQUIVALENTS**

	2022	2021
	\$'000	\$'000
Cash on hand and at bank	925	234
Deposits at call	10,725	18,611
	<u>11,650</u>	<u>18,845</u>

Accounting Policy – Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

D2 RECEIVABLES

	2022	2021
	\$'000	\$'000
Current		
Trade receivables	2,010	1,186
Allowance for impairment	<u>-</u>	<u>-</u>
	2,010	1,186
 GST receivable	 385	 298
Loans receivable	150	-
	<u>2,545</u>	<u>1,484</u>

Accounting Policy – Receivables*Trade receivables*

Trade receivables are measured as amortised cost, which approximates their fair value at reporting date.

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 7 days from invoice date.

Trade receivables within terms and expected to be fully collectible are considered of good credit quality based on recent collection history. Credit risk management strategies are detailed in Note E2-4.

The loss allowance for trade receivables reflects lifetime expected credit losses and incorporates frequent review and ongoing improvement in the information and collection processes.

Where QPAC has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Additional Disclosures*Cash and cash equivalents*

Cash and cash equivalents have been set aside as cash backed funding for QPAC's general reserves.

Monies held in trust

A separate trust fund bank account is maintained to hold ticket sales monies until the completion of the performance or event when the funds are released to the promoter. As QPAC is only the custodian of these monies, they are not reflected in the financial statements.

Interest earned on the monies held in trust is included as 'Other Income' in the Statement of Comprehensive Income. The balance of monies held in trust at 30 June 2022 is \$20.534 million (2021: \$20.577 million).

Accounting Policy – Receivables (continued)

QPAC uses a provision matrix to measure the expected credit losses on trade receivables and contract asset. Loss rates are calculated separately for groupings of customers with similar risk patterns.

QPAC has determined that 95% represents a group of customers with revenue streams related to settlements for events with sufficient funds held in the trust account to cover any debts outstanding resulting in no risk of collection to QPAC. The remaining 5% relates to a group with revenue streams covered by contracts and security deposits and represents little or no risk at all.

The calculations reflect historical observed default rates calculated using credit losses experienced on past sales transactions during the last 4 years preceding 30 June 2022 for each group. The historical default rates are then adjusted by frequent review and ongoing improvement in the information and collection processes.

Loans Receivable

Loans receivable relates to QPAC's investments in commercial programs which are measured at fair value through profit or loss. Refer to Note E2-2.

The fair value is determined based on the present value of expected future cash flows using investor reports and market knowledge of industry experts as a basis of future cash flows. A decline in fair value is recognised in the Statement of Comprehensive Income.

Loan repayments are receipted against the original loan value. Funds received in excess of the loan value are treated as investment income in the Statement of Comprehensive Income at the time it is known.

D2 RECEIVABLES *(continued)***Accounting Policy – Receivables** *(continued)***Additional Disclosure**

Ageing	2022			2021		
	Gross amount \$'000	Loss rate %	Expected credit losses \$'000	Gross amount \$'000	Loss rate %	Expected credit losses \$'000
Current	1,933	-	-	1,171	-	-
1-30 days overdue	75	-	-	15	-	-
31-60 days overdue	-	-	-	-	-	-
61-90 days overdue	-	-	-	-	-	-
> 90 days overdue	2	-	-	-	-	-
Total	2,010	-	-	1,186	-	-

D3 OTHER CURRENT ASSETS

	2022 \$'000	2021 \$'000
Contract asset	1,405	799
Prepayments	308	176
	1,713	975

Accounting Policy – Contract Assets

Contract assets arise from contracts with customers and are transferred to receivables when QPAC's right to payment becomes unconditional. This usually occurs when the invoice is issued to the customer.

D4 NON-CURRENT ASSETS HELD FOR SALE

	2022 \$'000	2021 \$'000
Carrying amount	-	4,613
Impairment loss	-	(259)
Non-current assets held for sale	-	4,354

Accounting policy – Non-current assets held for sale

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next twelve months.

Under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, when an asset is classified as held for sale, its value is measured at the lower of the asset's carrying amount and fair value less costs to sell. Any restatement of the asset's value to fair value less costs to sell is a non-recurring valuation. Such assets are no longer amortised or depreciated upon being classified as held for sale.

Additional Disclosures

The Board and management decided to sell the land and building owned by QPAC and this asset was reclassified from Non-Current Assets, Property Plant and Equipment to Current Assets, Non-current assets held for sale. The amount recorded was determined following a valuation for sale undertaken by an independent API qualified valuer and reflected the carrying amount at the time of meeting the "held for sale" criteria.

This asset was sold in the current year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

D5 PROPERTY, PLANT AND EQUIPMENT

D5-1 Net Book Values

	2022	2021
	\$'000	\$'000
Leasehold Improvements		
– at cost	1,570	1,637
– less: accumulated depreciation	<u>(1,164)</u>	<u>(1,130)</u>
	406	507
Plant and Equipment		
– at cost	14,417	13,120
– less: accumulated depreciation	<u>(9,439)</u>	<u>(9,054)</u>
	4,978	4,066
Heritage and Cultural Assets (Concert Hall Grand Organ)		
– at independent valuation	2,735	2,735
– less: accumulated depreciation	<u>(130)</u>	<u>(65)</u>
	2,605	2,670
Motor Vehicles		
– at cost	108	108
– less: accumulated depreciation	<u>(29)</u>	<u>(25)</u>
	79	83
Work in progress – at cost	<u>45</u>	<u>1,714</u>
Total Property, Plant and Equipment	<u>8,113</u>	<u>9,040</u>

D5 PROPERTY, PLANT AND EQUIPMENT *(continued)***D5-2 Reconciliation of Property, Plant and Equipment**

2022	Carrying Value at 1 July 2021 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers between classes \$'000	Assets Reclassified as held for sale/ Revaluation \$'000	Depreciation \$'000	Carrying Value at 30 June 2022 \$'000	Fair Value Disclosures
Leasehold Improvements	507	-	(5)	-	-	(96)	406	
Plant and Equipment	4,066	-	(92)	1,930	-	(926)	4,978	
Motor Vehicles	83	-	-	-	-	(4)	79	
Heritage and Cultural Assets	2,670	-	-	-	-	(65)	2,605	Level 3
Work in Progress	1,714	324	(63)	(1,930)	-	-	45	
Total	9,040	324	(160)	-	-	(1,091)	8,113	

2021	Carrying Value at 1 July 2020 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers between classes \$'000	Assets Reclass as held for sale \$'000	Depreciation \$'000	Carrying Value at 30 June 2021 \$'000	Fair Value Disclosures
Land	4,350	-	-	-	(4,350)	-	-	Level 2
Buildings	292	-	-	-	(263)	(29)	-	Level 2
Leasehold Improvements	617	-	(33)	-	-	(77)	507	
Plant and Equipment	4,313	-	(3)	478	-	(722)	4,066	
Motor Vehicles	87	-	-	-	-	(4)	83	
Heritage and Cultural Assets	2,735	-	-	-	-	(65)	2,670	Level 3
Work in Progress	266	1,926	-	(478)	-	-	1,714	
Total	12,660	1,926	(36)	-	(4,613)	(897)	9,040	

D5-3 Accounting Policy – Property, Plant and Equipment*Recognition thresholds*

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are capitalised in the year of acquisition. All other items are expensed in the year of acquisition:

- Leasehold improvements \$10,000
- Plant and equipment and motor vehicles \$5,000
- Heritage and cultural assets \$5,000

Cost of acquisition

Historical cost is used for the initial recording of all acquisitions of property, plant and equipment. Historical cost is defined as the value given as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition.

D5 PROPERTY, PLANT AND EQUIPMENT *(continued)***D5-3 Accounting Policy – Property, Plant and Equipment** *(continued)**Subsequent measurement and disposal*

Plant and equipment, leasehold improvements, and motor vehicles are measured at cost less accumulated depreciation and any accumulated impairment losses. The gain or loss on disposal is determined by comparing the proceeds from disposal with the carrying amount of the asset and is recognised net within other income/other expenses in profit or loss.

Heritage and cultural assets are measured at fair value less any subsequent accumulated depreciation and accumulated impairment losses, where applicable. These assets measured at fair value are comprehensively revalued at least once every five years by an independent expert. However, if there are indicators that the asset has experienced a significant and volatile change in value since the last reporting period, a specific comprehensive valuation is undertaken. In every other year during which a comprehensive valuation is not obtained, management reviews valuations using appropriate indices.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation surplus except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense, in which case the increment is recognised in the profit or loss up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset, in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any asset revaluation surplus relating to the particular asset being sold is transferred to accumulated surplus.

Separately identifiable components of assets are measured on the same basis as the assets to which they relate.

Depreciation

Depreciation on plant and equipment and motor vehicles, is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less any estimated residual value, progressively over its estimated useful life.

Capital work-in-progress is not depreciated until it reaches service delivery capacity.

Where assets have separately identifiable components, the components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements.

Key Estimate: Useful lives used are listed below and are consistent with the prior year unless otherwise stated:

Leasehold improvements	5 to 25 years
Plant and equipment and Motor vehicles	3 to 10 years
Heritage and cultural assets	50 years

D5 PROPERTY, PLANT AND EQUIPMENT *(continued)***D5-3 Accounting Policy – Property, Plant and Equipment** *(continued)**Impairment*

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, QPAC determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Recoverable amount is determined as the higher of the asset's fair value less costs of disposal and the asset's value in use.

Value in use is equal to the present value of the future cash flows expected to be derived from the asset or, where QPAC no longer uses an asset and has made a formal decision not to reuse or replace the asset, the value in use is the present value of net disposal proceeds.

Key judgement: Impairment indicators. Indicators of impairment may include where the market value of the asset has declined significantly, negative change in technology, markets, economic conditions or laws, obsolescence or physical damage to the asset, asset idleness, discontinued or restructured operations, and economic performance of the asset is worse than expected.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount in which case the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase for that class of asset through the asset revaluation surplus.

Where an asset is revalued, any accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation.

D5-4 Fair Value Measurement

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by QPAC include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by QPAC include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of QPAC's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs for asset characteristics/functionality) and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient, relevant and reliable observable inputs are not available for assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All assets and liabilities of QPAC for which fair value is measured or disclosed in the Financial Statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**D5** **PROPERTY, PLANT AND EQUIPMENT** *(continued)***D5-4** **Fair Value Measurement** *(continued)*

None of QPAC's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

For heritage and cultural assets, the basis for valuation is current replacement cost.

Where assets have not been specifically appraised in the reporting period, their previous valuations are materially kept up to-date via the application of relevant indices. QPAC ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. Such indices are derived from market information and documented to support their robustness, validity and appropriateness for application to the relevant assets.

The heritage and cultural asset was revalued as at 30 June 2021 using "fair value" principles, the minimal decrease in fair value was not applied during the year.

D5-5 **Revaluation Surplus**

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

	Balance 1 July 2021 \$'000	Revaluation Increments \$'000	Revaluation Decrements \$'000	Balance 30 June 2022 \$'000
Land (held for sale)	3,900	-	(3,900)	-
Buildings (held for sale)	312	-	(312)	-
Heritage and cultural assets	2,359	-	-	2,359
	6,571	-	(4,212)	2,359

	Balance 1 July 2020 \$'000	Revaluation Increments \$'000	Revaluation Decrements \$'000	Balance 30 June 2021 \$'000
Land (held for sale)	3,900	-	-	3,900
Buildings (held for sale)	312	-	-	312
Heritage and cultural assets	2,359	-	-	2,359
	6,571	-	-	6,571

D6 INTANGIBLE ASSETS**D6-1 Net Book Values**

	2022	2021
	\$'000	\$'000
Software at cost	1,721	1,721
less: accumulated amortisation	(1,641)	(1,471)
	80	250

Accounting Policy – Intangible Assets*Recognition and measurement*

Intangible assets are comprised of purchased software. Intangible assets are recognised at cost less accumulated amortisation and any impairment losses.

Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. The intangible assets, less any anticipated residual value, are amortised on a straight-line basis over the estimated useful life of 5 years.

Accounting Policy – Intangible Assets (continued)

The 'Cloud computing software' is an asset if the asset is a resource controlled by QPAC and that QPAC controls an intangible asset if it has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits and it has the right to direct the use of that asset.

Impairment

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, QPAC determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by QPAC, including discontinuing the use of the software. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

D6-2 Reconciliation of Intangible Assets

	Carrying Value at 1 July 2021 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2022 \$'000
Software	250	-	-	-	-	(170)	80

	Carrying Value at 1 July 2020 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2021 \$'000
Software	483	-	-	-	-	(233)	250

D7 INVESTMENT PROPERTY

	2022	2021
	\$'000	\$'000
Investment Property	1,065	-
	1,065	-

Accounting Policy – Investment Property

Investment property is initially recognised at cost including transaction costs. Where investment property is acquired at no or nominal cost, it is recognised at fair value and revalued as at each reporting date. The gains arising from changes in the fair value of investment property are included in the operating result for the period in which they arise.

Additional Disclosures

QPAC received the investment property as a gifted asset and the initial cost was measured at fair value.

A market valuation of the investment property was undertaken by an independent API qualified valuer on behalf of Marsh Pty Ltd as at June 2022.

QPAC has entered into a lease agreement which includes investment property maintenance, right of access and replacement if required, with no financial disadvantage to QPAC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

D8 PAYABLES

	2022	2021
	\$'000	\$'000
Trade creditors	1,546	1,325
Other creditors	1,342	2,524
GST payable	340	374
	<u>3,228</u>	<u>4,223</u>

Accounting Policy – Payables

Trade creditors and other creditors represent liabilities for goods and services provided to QPAC prior to the year-end which are unpaid. These amounts are at the nominal amount i.e. agreed purchase price less any applicable discounts. Amounts owing are unsecured, not subject to interest charges and are normally settled within 30 days of receipt of invoice.

D9 ACCRUED EMPLOYEE BENEFITS

	2022	2021
	\$'000	\$'000
Annual leave	1,195	1,220
Salaries and wages payable	197	262
	<u>1,392</u>	<u>1,482</u>

Accounting Policy – Accrued Employee Benefits

Refer to Note C2-1.

D10 OTHER LIABILITIES

	2022	2021
	\$'000	\$'000
Contract liability	1,252	819
	<u>1,252</u>	<u>819</u>

Accounting Policy Contract Liability

A liability has been recognised for the grant received to undertake projects pursuant to the terms of a contract in accordance with AASB 15.

Additional Disclosures

Project funding for a concept design of public foyer and workplace office accommodation and to undertake a functional audit of operation infrastructure which was initiated last financial year was not fully utilised. The project has been extended to 10 October 2023 to enable further works to be scoped and undertaken. The balance of funding unspent in 2019-20 and allocated to the new works is \$0.345 million at 30 June 2022.

Project funding of \$0.600 million was received for the design work for the Fit-Out for studios 3 and 4 of the New Performing Arts Venue.

D11 CONTRIBUTED EQUITY

	2022	2021
	\$'000	\$'000
Opening Contributed Equity	-	1,033
Transfer from Accumulated Surplus	-	5,217
	-	6,250
Net transfer out to other Queensland Government entity	-	(6,250)
	-	-

Additional Disclosures

Contributed equity was reduced to zero in the previous year following the capital contribution transfer for the New Performing Arts Venue paid to Arts Queensland (AQ). AQ assumed responsibility for administering the NPAV project during 2020-21 and the Minister of the Department of Communities, Housing and Digital Economy (DCDHE) approved the transfer on 27th May 2021.

SECTION 5

RISK MANAGEMENT

E1 GENERAL RESERVES

Nature and Purpose of General Reserves

The General Reserves are backed by cash or cash equivalent investments that are set aside for specific purposes as detailed below:

Building development reserve

The balance of this reserve of \$3.0 million represents funds allocated towards the fourth instalment, due in 2022-23, of QPAC's contribution to the New Performing Arts Venue. The allocation includes donations to the Queensland Performing Arts Trust Donations Fund as allocated to the New Performing Arts Venue.

Equipment replacement reserve

The balance of this reserve represents funds held for future replacement of QPAC's general equipment needs, including information technology and theatre production equipment. The level of this reserve as at 30 June 2022 represents 18.6% (2021: 41.6%) of the total accumulated depreciation of QPAC's property, plant and equipment.

Commercial development reserve

The balance of this reserve represents amount to offset the financial risks associated with investments in co-presentations with commercial organisations or strategic productions undertaken by QPAC on a commercial basis.

Working capital reserve

The balance of this reserve provides for fluctuations in working capital due to the volatile nature of the performing arts industry.

E2 FINANCIAL INSTRUMENTS MEASUREMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

E2-1 Financial Instruments

Financial Instruments – Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

(i) Financial Assets

QPAC's financial assets relate to receivables. Refer to Note D2.

(ii) Financial Liabilities

QPAC's financial liabilities relate to payables. Refer to Note D8.

(iii) Offsetting

No financial assets and financial liabilities have been offset and presented as net in the Statement of Financial Position.

E2 FINANCIAL INSTRUMENTS MEASUREMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES*(continued)***E2-2 General Objectives, Policies and Processes**

QPAC has the following categories of financial assets and financial liabilities.

	2022	2021
	\$'000	\$'000
Financial Assets		
<i>At amortised cost</i>		
Cash and Cash		
Equivalents	11,650	18,845
Trade receivables	2,395	1,484
Total	<u>14,045</u>	<u>20,329</u>
<i>At fair value through profit or loss</i>		
Loans receivable	<u>150</u>	<u>-</u>
Total financial assets	<u>14,195</u>	<u>20,329</u>
Financial Liabilities		
Payables	<u>3,228</u>	<u>4,223</u>

QPAC is exposed to risks that arise from its use of financial instruments. This note describes QPAC's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantial changes in QPAC's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the

methods used to measure them from the previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of QPAC's risk management objectives and policies and designing operating processes to ensure the effective implementation of the objectives and policies by QPAC. QPAC's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of QPAC, where such impacts may be material. The Risk Management Audit Committee (RMAC) receives quarterly reports from QPAC's Executive Director - Business Performance, through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting QPAC's competitiveness and flexibility. Further details regarding these policies are set out below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

E2 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

E2-3 Interest Rate Risk

The exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities at reporting date are as follows:

	Floating interest rate \$'000	1 year or less \$'000	Non-interest bearing \$'000	Total \$'000	Weighted average rate %
2022					
Financial Assets					
Cash on hand and at bank	925	-	-	925	0.32%
Short-term securities -					
Deposits at call	-	10,725	-	10,725	0.66%
Receivables	-	-	2,545	2,545	-
Financial Liabilities					
Payables	-	-	3,228	3,228	-
2021					
Financial Assets					
Cash on hand and at bank	197	-	37	234	0.65%
Short-term securities -					
Deposits at call	-	18,611	-	18,611	0.79%
Receivables	-	-	1,484	1,484	-
Financial Liabilities					
Payables	-	-	4,223	4,223	-

QPAC does not undertake any hedging in relation to interest rate risk and manages its risks based on the strategies developed by the Board.

E2-4 Credit Risk

Credit risk exposure refers to the situation where QPAC may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at reporting date in relation to each class of recognised financial asset is represented by the carrying amount of those assets inclusive of any provisions for impairment. There are no concentrations of credit risk as QPAC has a large number of customers. QPAC's policy is that sales are only made to customers that are credit worthy.

Refer to Note D2 for further details on impairment assessment using provision matrix for trade receivables.

QPAC holds monies in trust from ticket sales until the completion of the performance or event when the funds are released to the promoter after deducting QPAC's receivables.

QPAC deposits with Queensland Treasury Corporation and uses Australia and New Zealand Banking Group Limited for transactional banking. The Board believes that the credit risk associated with these financial institutions is low.

E2-5 Liquidity Risk

Liquidity risk refers to the situation where QPAC may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

QPAC is exposed to liquidity risk through its trading in the normal course of business.

E2 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)***E2-5 Liquidity Risk** *(continued)*

QPAC manages liquidity risk through use of the Financial Reserves Policy. This policy aims to reduce exposure to liquidity risk by ensuring QPAC has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risks of QPAC's financial assets and financial liabilities. It represents the contractual maturity of financial assets and financial liabilities.

Maturity Analysis

	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	Greater than 1 year \$'000	Carrying amount \$'000
2022					
Financial Assets					
Cash on hand and at bank	925	-	-	-	925
Short-term securities	10,725	-	-	-	10,725
Receivables	2,318	227	-	-	2,545
Financial Liabilities					
Payables	2,448	780	-	-	3,228

	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	Greater than 1 year \$'000	Carrying amount \$'000
2021					
Financial Assets					
Cash on hand and at bank	234	-	-	-	234
Short-term securities	18,611	-	-	-	18,611
Receivables	1,185	-	-	-	1,185
Financial Liabilities					
Payables	2,206	1,327	690	-	4,223

E2-6 Net Fair Value

QPAC considers that the net fair value of financial assets and financial liabilities approximate the book values due to their short term to maturity.

SECTION 6**OTHER INFORMATION****F1 COMMITMENTS****Capital Expenditure Commitments**

Material classes of capital expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the financial statements are payable as follows:

	2022	2021
	\$'000	\$'000
Plant and Equipment		
Payable:		
Not later than one year	288	42
Later than one year and not later than five years	-	-
Later than five years	-	-
	<u>288</u>	<u>42</u>

F2 CONTINGENCIES

As at 30 June 2022 there are no material contingent liabilities for QPAC (2021: \$nil).

F3 REMUNERATION OF TRUST MEMBERS

Remuneration paid or payable to Trust Members is as follows:

	Appointment term	Termination date	2022	2021
			\$'000	\$'000
P.O. Coaldrake AO	1-Oct-20*	-	18	17
L.M. de Souza	1-Oct-20*	-	7	7
S.A.M. Pitkin AO	10-Oct-19	-	7	1
D.A. Power	1-Oct-20	8-Apr-22	5	1
G.B. Richters	10-Oct-19	-	7	1
S.B. Rix AM	1-Oct-20*	-	9	1
M.L. Tabrett PSM	1-Oct-20*	-	8	7
Total			<u>61</u>	<u>35</u>

*Represents renewal of term

Additional Disclosures

Per the *Queensland Performance Arts Trust Act 1977*, a member is appointed for the term (not more than 3 years), stated in the member's instrument of appointment. The Governor in Council may, at any time, end the appointment of all or any members for any reason or none.

The majority of Trust Members have either waived their remuneration entitlement or received their remuneration and donated it back to the Queensland Performing Arts Trust Donations fund to be applied to the New Performing Arts Venue contribution.

F4 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)*

Key management personnel (KMP) and remuneration disclosures are made in accordance with section 5 of the Queensland Treasury Financial Reporting Requirements for Queensland Government Agencies.

F4-1 Key Management Personnel

The following details include those positions that had authority and responsibility for planning, directing and controlling the activities of QPAC during 2021-22. Further information on these positions is set out in the body of the annual report under the section relating to Executive Management.

Position	Responsibilities	Current incumbents	
		Contract classification and appointed authority	Date appointed to position (Date resigned from position)
Chief Executive	Responsible for the provision of strong and effective leadership of QPAC and implementation of QPAC's vision to deliver a lifetime of unforgettable live performances for all Queenslanders. The Chief Executive is accountable for achieving the strategic plan in collaboration with the Board, building the reputation and profile of QPAC, managing external and internal operations and providing consistent, high-level strategic advice to the Board on operations, policy and planning. This includes the development and implementation of a strategic plan to advance QPAC's vision, mission, strategies and objectives and to promote revenue, profitability and growth as an organisation.	Employment contract/ terms and conditions specified in the contract/ Governor in Council/ <i>Queensland Performing Arts Trust Act 1977</i>	11-Dec-08
Executive Director – Venue Infrastructure and Production Services	Responsible for overseeing the long-term strategic and operational planning and renewal of QPAC's facilities. This includes managing the delivery of major capital works projects, as well as ongoing asset management and maintenance in accordance with statutory compliance. A major strategic focus for this role is in the environmental sustainability of practice and design throughout QPAC's facilities and infrastructure.	Employment contract/ appointment by Chief Executive/ <i>Queensland Performing Arts Trust Act 1977</i>	01-Jul-18
Executive Director – Business Performance	Responsible for providing strategic advice and support to the Board, Chief Executive and senior management to ensure strategic targets agreed with the Minister in the Strategic and Operational Plans are achieved including setting of QPAC's strategic financial directions, actions and policies reflecting the objectives of QPAC and also leads the delivery of a range of high-level corporate governance functions across the organisation, including a Financial Management Compliance Framework.	Employment contract/ appointment by Chief Executive/ <i>Queensland Performing Arts Trust Act 1977</i>	25-May-04
Executive Director – Stakeholder Engagement Strategy	Responsible for strategic planning and government stakeholders in addition to developing and managing innovative and integrated Food and Beverage and Visitor Services strategies to achieve QPAC's strategic goals and organisational priorities. The responsibility also includes leading QPAC's operations and service delivery units and strives to continuously improve the standard of services to ensure stakeholders' needs are satisfied, both now and into the future.	Employment contract/ appointment by Chief Executive/ <i>Queensland Performing Arts Trust Act 1977</i>	9-Jun-14
Executive Director – Visitation	Responsible for leading QPAC's Marketing and Ticketing teams and developing and managing strategies designed to maximise and grow audiences and audience reach through ticketing, digital marketing, event marketing, strategic communications, publicity, memberships, advertising, research and insights.	Employment contract/ appointment by Chief Executive/ <i>Queensland Performing Arts Trust Act 1977</i>	20-Jan-14

F4 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F4-1 Key Management Personnel** *(continued)*

Position	Responsibilities	Current incumbents	
		Contract classification and appointed authority	Date appointed to position (Date resigned from position)
Executive Director - Curatorial	Accountable for leading, facilitating and advocating a creative vision for QPAC, and successfully planning, developing and overseeing the delivery of all aspects of QPAC's programming. Programs encompass commercial hiring and producing in addition to public programs that fulfil QPAC's commitment to social justice, education, research, diversity, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. In addition, will oversee the development of intrinsic relationships across the corporate and philanthropic sectors that are progressive, of substance and in keeping with the values of QPAC and our contemporaries.	Employment contract/ appointment by Chief Executive/ <i>Queensland Performing Arts Trust Act 1977</i>	31-Jan-22

F4-2 Accounting Policy – KMP Remuneration

Remuneration policy for KMP is aligned with Queensland Public Service Commission remuneration as provided for under the *Public Service Act 2008*. The remuneration and other terms of employment for KMP are specified in employment contracts. The contracts provide for benefits including motor vehicles and car parking.

Remuneration packages for KMP comprise the following components:

- Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
- Non-monetary benefits - consisting of provision of parking and/or motor vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave. QPAC contributes to the Queensland Government Long Service Leave Central Scheme which incurs the liability and subsequent payment of any long service leave payments that become due.
- Post-employment benefits include superannuation contributions.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- Performance bonuses are not provided for within individual contracts of employment.

Total remuneration is calculated on a total cost basis and includes the base, non-monetary benefits, long term employee benefits and post-employment benefits.

F4 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F4-3 KMP Remuneration Expense**

The following disclosures focus on the expense incurred by QPAC that is attributable to key management positions during the respective reporting periods. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

1 July 2021 – 30 June 2022

Position	Short-term employee expenses		Long-term employee expenses	Post-Employment expenses	Termination benefits	Total*
	Monetary Expenses*	Non-monetary benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	331	5	8	41	-	385
Executive Director – Venue Infrastructure and Production Services	197	3	5	28	-	233
Executive Director – Business Performance	207	3	5	28	-	243
Executive Director – Stakeholder Engagement Strategy	214	3	5	28	-	250
Executive Director – Visitation	200	3	5	20	-	228
Executive Director - Curatorial	91	3	2	12	-	108
Total Remuneration	1,240	20	30	157	-	1,447

1 July 2020 – 30 June 2021

Position	Short-term employee expenses		Long-term employee expenses	Post-Employment expenses	Termination benefits	Total*
	Monetary Expenses*	Non-monetary benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	320	3	7	39	-	369
Executive Director – Venue Infrastructure and Production Services	189	3	5	27	-	224
Executive Director – Business Performance	203	3	5	27	-	238
Executive Director – Stakeholder Engagement Strategy	215	3	5	27	-	250
Executive Director – Visitation	174	3	5	19	-	201
Total Remuneration	1,101	15	27	139	-	1,282

F4 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F4-4 Related Party Transactions**

The parent entity and the ultimate controlling party of QPAC is the Queensland Government. QPAC operates within the portfolio of the Department of Communities, Housing and Digital Economy (DCDHE).

Transactions with people/entities related to KMPs

QPAC provides tickets to shows to KMP and their accompanying guests. Attendance is part of the KMP's duties and the value of such tickets to any individual Related Party is not considered material.

Trust Members donated remuneration fees to the Queensland Performing Arts Trust Donations fund as detailed in Note F3.

Transactions with other Queensland Government controlled entities

QPAC receives cash funding from Arts Queensland as detailed in Note C1-2.

QPAC receives facility maintenance, security, cleaning services and utilities from Arts Queensland and QPAC pays for these services.

QPAC provides services in the normal course of business and under normal contract terms but charges at concessional rates to other Queensland Government departments and agencies. This includes services for ticketing, theatre hire, production crews and other staffing and charges associated with events at QPAC or other venues to the value of \$1.179 million (2021: \$0.326 million).

QPAC utilises banking and finance services provided by Queensland Treasury Corporation under normal business terms and conditions. Fees are paid by QPAC for these services which include holding cash deposits invested by QPAC, which earn interest, and facilitating international foreign exchange transactions.

QPAC has insurance policies with the Queensland Government Insurance Fund for property and general liability. (Note C2-3)

QPAC received funding of \$0.023 million (2021: \$2.030 million) from Queensland Government agencies and departments for specific Arts projects and Capital works.

Service concession arrangements

QPAC leases the building from Arts Queensland. Refer to Note C2-2 for further details.

F5 \$25 MILLION REQUIREMENT FOR QPAC TO THE NEW PERFORMING ARTS VENUE (NPAV)

A funding agreement was executed in October 2020 between QPAC and Arts Queensland to administer QPAC's \$25 million capital contribution to the New Performing Arts Venue project. As at 30 June, 2022, QPAC has made 3 instalment payments to a total of \$19 million under the agreement. \$6.250 million was paid in the previous year out of Contributed Equity and \$12.750 million was paid in 2021-22 from Accumulated Surplus.

As required by the Queensland Government Financial Reporting Requirements (FRR 4F), Ministerial approval was obtained to recognise this non-reciprocal transfer of assets as an equity contribution to owners.

SECTION 7**NOTES ABOUT ACTUAL PERFORMANCE COMPARED TO BUDGET****G1 BUDGETARY REPORTING DISCLOSURES AND SIGNIFICANT FINANCIAL IMPACTS FROM COVID-19**

This section contains explanations of major variances between QPAC's actual 2021-22 financial results and the original budget presented to the Parliament.

G1-1 Significant Financial Impacts – COVID-19 Pandemic

The following significant transactions were recognised by QPAC as a result of the COVID-19 pandemic.

Statement of Comprehensive Income	2022	2021
<i>Significant expense transactions arising from COVID-19</i>	\$'000	\$'000
Trading costs – Directional and security staffing costs, Rapid Antigen Tests and signage	383	-
Obsolete stock	-	8
Redundancy payments	-	749
	<u>383</u>	<u>757</u>
 <i>Significant revenue transactions arising from COVID-19</i>		
Outstanding invoices waived by Arts Queensland	-	1,146
Insurance*	-	12,052
	<u>-</u>	<u>13,198</u>

*As a result of Event cancellations up to 30 June 2022, Net revenue from commercial operations including rent and cost recoveries, ticket sale commissions and profits from food and beverage sales estimated to be \$3.199 million (2021: \$9.985 million) have not been earned. These amounts are not separately listed in the significant revenue/expense items above however are represented by the insurance amount received.

Statement of Financial Position	2022	2021
<i>Significant changes in Assets arising from COVID-19</i>	\$'000	\$'000
Reduction in Payables – payments to suppliers	-	(1,146)
Reduction in employee benefits (leave entitlements)	-	(590)
	<u>-</u>	<u>(1,736)</u>

G1-2 Explanation of Major Variances – Statement of Comprehensive Income

<i>User charges and fees</i>	User charges and fees were \$5.160 million lower than the budget primarily due to continuing COVID-19 restrictions and cancellation of shows due to Brisbane flood in February 2022.
<i>Grants Contributions and Donations</i>	An increase of \$1.195 million primarily due to donated assets of \$0.990 million and increase in donations received.
<i>Other income</i>	Other Revenue were \$3.002 million higher than budget primarily due to gain on sale of Non-current assets held for sale and exemption from payroll tax.
<i>Employee expenses</i>	Employee Expenses were \$0.266 million lower than budget primarily due to QPAC's exemption from paying payroll tax.
<i>Supplies and Services</i>	Supplies and Services were \$4.692 million lower than budget primarily due to the cancellation of shows resulting from continuing COVID-19 restrictions and the Brisbane flood.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

G1 BUDGETARY REPORTING DISCLOSURES AND SIGNIFICANT FINANCIAL IMPACTS FROM COVID-19 *(continued)*

G1-3 Explanation of Major Variances – Statement of Financial Position

<i>Cash and cash equivalents</i>	A decrease in Cash of \$12.303 million primarily due to payment of contributions to the New Performing Arts Venue \$12.750 million.
<i>Receivables</i>	An increase in Receivables of \$0.832 million primarily due to an outstanding invoice relating to funding for the design of fit-out for studios 3 and 4 of the New Performing Arts Venue and outstanding costs recoveries for production and marketing.
<i>Prepayments and Other Current Assets</i>	A decrease of \$4.853 million as the budget included the first contribution of \$6.250 million to the New Performing Arts Venue pending appropriate approval from the Minister.
<i>Property, plant and equipment</i>	A decrease of \$5.353 million primarily due to the sale of non-current assets held for sale and disposal of assets damaged during the Brisbane flood.
<i>Accrued Employee Benefits</i>	A decrease in Accrued Employee Benefits of \$0.341 million primarily due to lower accrued wages.
<i>Payables</i>	A decrease of \$1.903 million primarily due to lower commitments and reversal of deferred payroll tax of \$0.394 million.
<i>Other current liabilities</i>	An increase of \$0.740 million due to \$0.600 million funding for design of fit-out in studios 3 and 4 of the New Performing Arts Venue.

G1-4 Explanation of Major Variances – Statement of Cash Flows

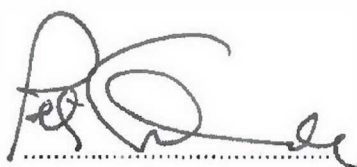
<i>User charges and fees</i>	User charges and fees were \$5.533 million lower than budget primarily due to continuing COVID-19 restrictions and cancellation of shows due to Brisbane flood in February 2022.
<i>Other income</i>	An increase of \$1.103 million primarily due to exemption of payroll tax of \$1.050 million and investment income of \$0.053 million.
<i>Supplies and Services</i>	Supplies and Services were \$2.955 million higher primarily due to previous year's Art Queensland waived debt of \$1.146 million and supplies and services in relation to the Brisbane flood in February 2022.
<i>Proceeds from Non-current assets held for sale</i>	An increase of \$6.448 million primarily due to sale of non-current assets held for sale in December 2022.
<i>Payments for New Performing Arts Venue</i>	An increase primarily due to transfers to owners of \$12.750 million. (Note F5, G1-3 Cash and cash equivalents).

CERTIFICATE OF THE QUEENSLAND PERFORMING ARTS TRUST*For the Year Ended 30 June 2022*

These general purpose financial statements have been prepared pursuant to section 62 (1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Charities and Not-for-profits Commission Regulation 2013 and other prescribed requirements. In accordance with section 62 (1) (b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Performing Arts Trust for the financial year ended 30 June 2022 and of the financial position as at the end of that year.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* to establish and maintain, in all material respects, an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Peter Coaldrake AO
Chair



John Kotzas AM
Director



Kieron Roost CPA
Executive Director –
Business Performance

9 September 2022



INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Performing Arts Trust

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Performing Arts Trust.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

Other information comprises the information included in the entity's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

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



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

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

I have nothing to report in this regard.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an **auditor's report that includes my opinion. Reasonable assurance is a high level** of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the **entity's** internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.



- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am **required to draw attention in my auditor's report to the related disclosures in the financial report** or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence **obtained up to the date of my auditor's report. However, future** events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board 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.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial **records that correctly record and explain the entity's transactions and account balances to** enable the preparation of a true and fair financial report.

A handwritten signature in blue ink, appearing to read "J Thornley".

Jacqueline Thornley
as delegate of the Auditor-General

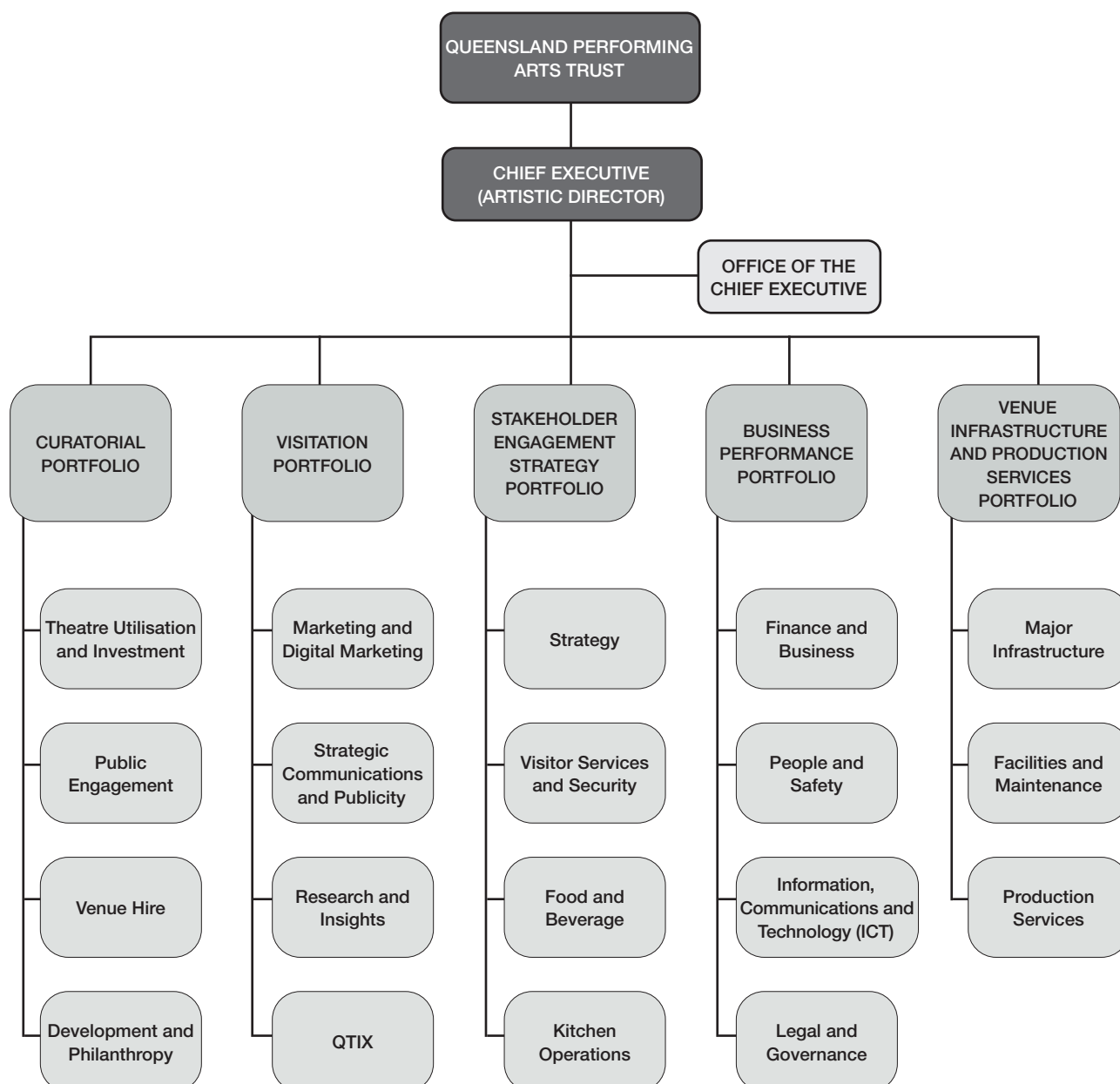
9 September 2022

Queensland Audit Office
Brisbane

GOVERNANCE

Management and structure

Organisational structure



Organisational chart as at 30 June 2022.

Queensland Performing Arts Trust

The *Queensland Performing Arts Trust Act 1977* provides that the Queensland Performing Arts Trust (i.e. the Board of QPAT) consists of the number of members appointed by the Governor in Council. In appointing a member, regard must be had to the person's ability to contribute to the board's performance and the implementation of its strategic and operational plans. A person is not eligible for appointment as a member if the person is not able to manage a corporation under the Corporations Act 2001 (Cth). Members are appointed for terms of not more than three years and are eligible for reappointment upon expiry of their terms. Members are appointed on the conditions decided by the Governor in Council.

Name	Term		Board meetings	
	Appointed	Current term	Eligible to attend	Attended
Professor Peter Coaldrake AO CHAIR	1 Oct 2016 (Chair from 1 Oct 2017)	1 Oct 2017 – 30 Sep 2023	6	6
Ms Leigh Tabrett PSM DEPUTY CHAIR	1 Oct 2017 (Deputy Chair from 1 Oct 2017)	1 Oct 2017 – 30 Sep 2023	6	6
Dr Sally Pitkin AO	10 Oct 2019	10 Oct 2019 - 9 Oct 2022	6	6
Ms Georgina Richters	10 Oct 2019	10 Oct 2019 - 9 Oct 2022	6	6
Ms Susan Rix AM	1 Oct 2017	1 Oct 2017 – 30 Sep 2023	6	6
Ms Leanne de Souza	10 Nov 2016	1 Oct 2017 – 30 Sep 2023	6	5
Mr Dare Power	1 Oct 2017	1 Oct 2017 – 30 Sep 2023 (Resigned 8 April 2022)	5	3

Professor Peter Coaldrake AO – Chair

Professor Peter Coaldrake AO was appointed as Chair of the Queensland Performing Arts Trust in October 2017 and is also a Board member of the Queensland Community Foundation. In March 2021, he commenced as Chief Commissioner of Tertiary Education Quality and Standards Agency (TEQSA), Australia's higher education regulator.

Prior to this, Professor Coaldrake completed an almost fifteen-year term as Vice-Chancellor and CEO of Queensland University of Technology in December 2017. Professor Coaldrake is a former Chair of both the peak body for Australia's Universities, Universities Australia and the governing board of the OECD's then higher education group (IMHE).

He has previously chaired Jobs Queensland (2018-2020), the Queensland Heritage Council (2011-2016), Queensland's sesquicentenary celebrations (2007-2009) and Screen Queensland (2009-2011).

Since completing his term as Vice-Chancellor, he also has undertaken other public reviews on behalf of both the Morrison and Palaszczuk governments. The most recent was his *Review of culture and accountability in the Queensland public sector*, published in June 2022.

A dual Fulbright scholar, Professor Coaldrake has authored and edited numerous books and monographs relevant to the higher education system in Australia. He is the recipient of a "Queensland Great" Award (2017) by the Premier of Queensland and the Asia Pacific Leadership Award by the Council for Advancement and Support of Education (2016).

Leigh Tabrett PSM – Deputy Chair

Leigh Tabrett PSM has worked as a secondary teacher, a university administrator, and senior public servant, ending her public service career as Deputy Director-General (Arts Queensland) in the Department of Premier and Cabinet. She has served on numerous state and national policy and co-ordinating bodies and government owned companies. She has been an advisor to both State and Federal Governments on higher education and on arts and cultural policy, and has led policy, organisational and legislative reform agendas in both areas.

She now works as a company director and business coach. She is a Director of the Community Services Industry Alliance Ltd, (to June 2022), and Chair of Of One Mind Ltd, the company which has, since 2013, been developing and presenting the WOW (Women of the World) Festivals in Australia and the Pacific.

Dr Sally Pitkin AO

Dr Sally Pitkin AO is a company director and lawyer with over thirty years' corporate experience. She has served as a director and board member of ASX 200 companies, Federal Government-owned business enterprises, private companies, regulatory bodies and non-profit organisations.

Sally's experience in business, including in the areas of corporate governance, risk management, strategy and business planning, organisational culture and stakeholder engagement, has been developed through her former executive roles in the legal industry and through 25 years' experience as a non-executive director and board member.

Sally is a Fellow of the Australian Institute of Company Directors, and Chair of the Institute's Corporate Governance Committee. She holds a Doctorate in the field of governance, and Masters and Bachelor degrees in law.

Georgina Richters

Georgina Richters is an executive who has extensive and diverse experience in the corporate sector with a focus on governance, government, business and the performing arts. As the Chair of the Arts Ministers First Nations Arts and Cultures Panel, Deputy Chair of the Brisbane 2032 Legacy Committee, former board member for Bravehearts and an advisor to Tourism and Events Queensland First Nations Advisory Group, Georgina brings first-hand professional experience. A strategic leader, Georgina's two-world view underpins her success in Executive, Board Member and Advisor appointments.

Georgina has worked in leadership roles within the public, private and not-for-profit sector and has more than 25 years' experience working in Indigenous affairs at national, state, local and community levels. Georgina has a strong record of involvement in strategically planning and developing business improvements, and implementing the strategic direction and thinking of organisations.

Georgina is passionate about delivering innovative community-based and led solutions that protect, restore and build the social and economic well-being of Aboriginal and Torres Strait Islander communities across Australia.

Susan Rix AM

Susan Rix AM is an accomplished business leader with 40 years' experience as a chartered accountant and corporate advisor assisting clients in varied aspects of commercial, financial and taxation matters with an emphasis on small to medium enterprises across a broad range of industries and professions.

Additionally, an experienced company director (and Chair) with current and past board roles spanning the private, not-for-profit and government sectors in diverse industries including agriculture, rail, ports, infrastructure, disability services, and education. A Fellow of the Chartered Accountants, Australia and New Zealand and a Fellow of the Australian Institute of Company Directors.

Leanne de Souza

Leanne de Souza is a Co-Owner and Executive Director of Queensland's successful music-technology company Nightlife Music and Chair of the Electronic Music Conference Advisory Board. Nightlife Music is an Australian-owned SaaS streaming platform that provides licensed music and screen content on robust hardware for businesses in hospitality, fitness, leisure, accommodation and retail. Best known for their interactive, in-venue technology platform crowdDJ®, Nightlife employs 100+ staff and supports 6,000+ B2B customers across Australia, New Zealand, APAC, and the UK.

In 2021 Leanne completed a Bachelor of Arts (Digital and Media Cultures) with High Distinction from the University of Queensland. Previously, Leanne held the role of Executive Director of the Association of Artist Managers (AAM) after decades working in artist management. In 2019 she was voted the 14th most influential person in the Australian music industry and awarded a National Live Music Award for "Excellence in Support of the Live Music Industry."

Dare Power (resigned 8 April 2022)

Dare Power is Group Executive Director – People and Process for his family business, BMD. It is one of Australia's largest privately owned construction, consulting and urban development organisations.

In addition, Mr Power is one of the driving forces behind PowerArts, an arts investment and production vehicle that works to facilitate live performing arts projects. For more than ten years, PowerArts has contributed to the Australian performing arts landscape through a mixture of direct investment, sponsorship and philanthropy. Mr Power has served on the board of several arts organisations and is currently a director of Queensland's premier contemporary dance company, Australasian Dance Collective.

Mr Power holds a Bachelor of Arts (Honours) from the University of Queensland, a Master of Film and Television from Bond University, and an Executive MBA from the Australian Graduate School of Management. He is a Graduate Member of the Australian Institute of Company Directors.

Executive management

The Chief Executive is appointed as “director” of the Queensland Performing Arts Trust by the Governor in Council upon recommendation by the Minister for the Arts approved by the Board. The Chief Executive is appointed for a term of not more than five years under the Queensland Performing Arts Trust Act 1977 and is eligible for reappointment upon expiry of the term.

Chief Executive: John Kotzas AM

In collaboration with the Board, the Chief Executive is accountable for the development and implementation of a strategic plan to advance the company’s vision, mission, strategies and objectives and to promote revenue, profitability and growth as an organisation. The Chief Executive is also responsible for leading the organisation as a whole, building its reputation and profile, managing external and internal operations, and providing consistent, high-level strategic advice to the Board on operations, policy and planning.

Executive Director – Curatorial: Jono Perry

The Executive Director – Curatorial is responsible for creating, managing and implementing the curatorial strategies of QPAC through commercial hiring, producing and public engagement programs including sourcing new opportunities for commercial productions to develop and expand QPAC’s capability as a commercial producer. Public engagement includes programs that fulfil QPAC’s commitment to social justice, education, research, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. In addition to these, leading QPAC’s Development and Philanthropic functions.

Executive Director – Stakeholder Engagement Strategy: Jackie Branch

The Executive Director – Stakeholder Engagement Strategy is responsible for strategic planning and government stakeholders in addition to developing and managing innovative and integrated Food and Beverage and Visitor Services strategies to achieve QPAC’s strategic goals and organisational priorities. The Executive Director – Stakeholder Engagement Strategy leads QPAC’s operations and service delivery units and strives to continuously improve the standard of services to ensure stakeholders’ needs are satisfied, both now and into the future.

Executive Director – Visitation: Roxanne Hopkins

The Executive Director – Visitation leads QPAC’s marketing and ticketing teams and is responsible for developing and managing strategies designed to maximise and grow audiences and audience reach through ticketing, digital marketing, event marketing, strategic communications, publicity, memberships, advertising, research and insights.

Executive Director – Venue Infrastructure and Production Services: Bill Jessop

The Executive Director – Venue Infrastructure and Production Services oversees the long-term strategic and operational planning and renewal of QPAC’s facilities. This includes managing the delivery of major capital works projects, as well as ongoing asset management and maintenance in accordance with statutory compliance. A major strategic concern for this role is in the environmental sustainability of practice and design throughout QPAC’s facilities and infrastructure.

Executive Director – Business Performance: Kieron Roost

The Executive Director – Business Performance is responsible for providing strategic advice and support to the Board, Chief Executive and senior management to ensure strategic targets agreed with the Minister in the Strategic and Operational Plans are achieved. The Executive Director – Business Performance sets strategic financial directions, actions and policies reflecting QPAC’s objectives and leads the delivery of a range of high-level corporate governance functions across the organisation, including a Financial Management Compliance Framework.

Mid-term Review of Board Effectiveness

In line with the requirement that statutory bodies within the Arts portfolio undertake a mid-term review of their own effectiveness, in August 2021, the Board commissioned Directors Australia Pty Ltd to undertake an independent review of the Board, including an examination of the contribution of each of the Directors to the Board’s overall effectiveness.

An examination of documentation and policies, and a survey of and individual interviews with Board members, Chief Executive, and Executive Management were undertaken to inform the review’s findings and recommendations for future action, which were presented to the Board on 20 September 2021.

Overall the review found that the Board demonstrated good commitment to QPAC and its success, had strong skills and experience, was capable of collaborative but robust discussions, and provided effective oversight of the financial and operational performance of the organisation. The review suggested that the Board formalise its arrangements for oversight of executive performance management against strategic plan targets, and of organisational culture through establishment of a People

and Culture Committee, and to develop a Risk Appetite Statement for the Board. These recommendations have been implemented. The outcomes of the review were reported to the minister on 16 December.

Aboriginal and Torres Strait Islander Advisory Group

The role of the Advisory Group is to advise the QPAC Board on the actions necessary to realise QPAC's commitment to recognising the unique, place that Aboriginal and Torres Strait Islander peoples and cultures hold in Australian culture, and to working towards making this vision real across all aspects of the organisation's operations.

The Group is an advisory group established by, and directly responsible to, the QPAC Board. It has no executive powers, unless delegated to it by the QPAC Board.

Duties and responsibilities:

- Lead reconciliation activities
- Support Aboriginal and Torres Strait Islander objectives in *Creative Together 2020-2030: A 10 Year Roadmap for arts, culture and creativity in Qld.*
- Support QPAC's Strategic Plan First Nations objective to prioritise reconciliation led by First Nations knowledge and expertise
- Advise on a Framework for action to achieve QPAC's strategic goal for Aboriginal and Torres Strait Islander cultural presence
- Reporting

The group meets at least six times during the year.

The Aboriginal and Torres Strait Islander Advisory Group oversaw a number of key initiatives to fulfil the strategic priorities of the organisation.

- Reconciliation Action Plan: On 9 June 2022, QPAC launched its inaugural Reflect Reconciliation Action Plan (RAP). This document, approved by Reconciliation Australia, formalised a number of commitments and deliverables across the organisations related to Relationships, Respect and Opportunities. PwC's Indigenous Consulting led the process to engage with all staff, Board, Advisory Group and Executive to distil the organisational priorities into the RAP. QPAC now has twelve months in which to complete the agreed deliverables relating to procurement, recruitment, programming and more.
- Creative Together 2020-2030: QPAC has been working towards the strategic direction of the Creative Together framework with particular focus on outcomes aligned to:
 - Elevate First Nations arts: *Clancestry* festival. Sparks scriptwriting development program, co-presentation of Bangarra Dance Theatre, First Nations public art embedded within the New Performing Arts Venue and various other collaborations and presentations.
 - Activate Queensland's local places and global digital spaces: Digital Stage inclusion opportunities and Newsroom content inclusions
 - Share our stories and celebrate our storytellers: various programs and productions throughout the year.
- Strategic and Operational Plan: The Advisory Group focuses have been in alignment with the Strategic and Operational Plans and are being delivered through RAP commitments, New Performing Arts Venue design and art integration and ongoing Curatorial programs.

Name	Role on committee	Term of appointment	Number of meetings attended
Georgina Richters	Chair and member	1 April 2021 to 30 September 2023	5
Leigh Tabrett PSM	Member	1 April 2021 to 30 September 2023	5
Ivan Ingram	Member	1 April 2021 to 30 September 2023	5
Carla McGrath	Member	1 April 2021 to 30 September 2023	3
Colleen Wall	Member	1 April 2021 to 30 September 2023	2

People and Culture Committee

The People and Culture Committee was established by Board decision in December 2021, following an independent review of the Board's performance which identified the benefits of developing a more focused approach to the consideration of strategic human resources matters. The Committee's terms of reference provide for it to advise the Board on matters concerning people, capacity, capability and culture, including:

- organisational structure, policies and procedures;
- organisational culture, including actions from the bi-annual employee survey;
- issues relating to the Enterprise Agreement;
- the Workforce Plan, including key staff statistics;
- the performance objectives for the Chief Executive;

- in conjunction with the Chief Executive, the performance agreements for senior staff; and
- succession planning for the Chief Executive and Executive staff.

The Committee has met twice since its establishment, and is scheduled to meet four times a year. To date, its considerations have focussed on developing its terms of reference for approval by the Board; considering priorities for its workplan in the immediate future, including a study of the organisational structure and staffing arrangements; discussion of the outcomes of the "Voice" project (the survey of staff satisfaction and organisation culture); and considering the advice of the Consultancy Bureau's report on the *Preferred structure, management and staffing arrangements to support QPAT's strategic aspiration*.

Name	Role on committee	Term of appointment	Number of meetings attended
Leigh Tabrett PSM	Chair and member	October 2021 to September 2023	2
Georgina Richters	Member	October 2021 to September 2023	2
Leanne De Souza	Member	October 2021 to September 2023	2
Dare Power	Member	October 2021 – to April 2022	2
John Kotzas AM	Member (Ex Officio)	Continuing	2
Alicia Dodds	Member (Ex Officio)	Continuing	2

Risk Management and Accountability

Risk Management and Audit Committee

QPAT maintains a detailed Risk Management Plan consistent with the requirements of sections 11(1)(h) and 23 of the Financial and Performance Management Standard 2019.

As part of its broader risk management strategy, QPAT has identified a number of operational risks that would impact negatively on the day-to-day operation of the business. The operational risks include adverse weather events, power failure, any incident that will result in a building evacuation placing audiences or staff at significant risk, failure of the ticketing system and website or internet outage, security of IT systems.

The Centre is owned and maintained by Arts Queensland. QPAT works with Arts Queensland to ensure that the facilities are maintained to the highest standards.

The Risk Management and Audit Committee (RMAC) is a Board committee which meets at least quarterly to assist the Board in overseeing QPAT's internal control, audit and risk management functions.

RMAC is responsible for providing advice, comments and recommendations to the Board following review and assessment of budgets, financial reporting, internal control, risk management, internal audit, external audit, pricing, tenders, investment proposals, external investigations and other specific matters as required by the Board from time to time.

Name	Role on committee	Term of appointment	Number of meetings attended
Susan Rix AM	Chair and member	October 2017 to September 2023	6
Professor Peter Coaldrake AO	Member	October 2017 to September 2023	6
Leigh Tabrett, PSM	Member	October 2017 to September 2023	6
Dr Sally Pitkin AO	Member	October 2017 to September 2023	6

RMAC is chaired by Ms Susan Rix AM and also comprises Professor Peter Coaldrake AO, Ms Leigh Tabrett PSM and Dr Sally Pitkin AO. In accordance with remuneration arrangements approved by the Governor in Council, the RMAC Chair receives an annual fee of \$2,500 and members receive an annual fee of \$1,000.

RMAC has observed the terms of its charter and has had due regard to Queensland Treasury's Audit Committee Guidelines throughout the year.

RMAC considered the financial statements for the year ending 30 June 2022. The RMAC also considered the external audit report on the financial statements and noted the audit recommendations and management responses.

Internal Audit

QPAT maintains a comprehensive internal audit program. A three-year Internal Audit Strategic Plan, approved by the RMAC, has been developed and is reviewed annually.

QPAT's Risk Management and Audit Committee Charter was updated and approved on 16 October 2019.

The Risk Management and Audit Committee Charter was developed with due regard to applicable legislation and Treasury's Audit committee guidelines – improving accountability and performance.

QPAT's internal auditor, appointed by the RMAC following a tender process, is independent of management and the external auditors. The internal auditor provides independent assurance that QPAT's risk management, governance and internal control processes are operating effectively.

In 2020-21, QPAT engaged Deloitte Risk Advisory for a specialist assignment to undertake a comprehensive review of payroll compliance. A specialist contractor was engaged to undertake a review into QPAT's Payment Card Industry (PCI) compliance.

External Scrutiny

QPAT was subject to the audit of the financial statements by the Queensland Audit Office (QAO).

Information Systems and Recordkeeping

QPAT complies with the provisions of the Public Records Act 2002 and the Queensland Government's Records Governance Policy. The main corporate records (digital and physical) are managed by a Senior Information and Archives Officer through QPAT's Record Management system (HP Content Manager 9). Physical records are maintained off-site at a secure document facility while the main corporate digital records are maintained in HP Content Manager on-site. Where appropriate, staff will use other corporate electronic databases to store and manage information. QPAT's administrative staff are aware of the requirement for, as well as the processes and procedures of recordkeeping. One on one training of all relevant new staff is also provided.

All records are held for the appropriate period set out in the QPAT General Retention and Disposal Schedule. QPAT's General Retention and Disposal Schedule is aligned with the current Queensland State Archives' General Retention and Disposal Schedule (issued September 2016). Secure destruction is performed by an external company after approval is given by the Executive Director – Business Performance. QPAT receives the appropriate Certificate of Destruction for each disposal request. With the transition from paper to digital records, QPAT has adapted the recordkeeping process to ensure that all major records are captured through scanning and digitising processes and being stored in HP Content Manager. Where necessary, original hardcopies are sent by the information and archives unit, for storage off-site. Digitisation of QPAT's organisational records was extended with the commencement of a digital archiving project for older physical records currently in off-site storage. This will deliver benefits in terms of access to archive material and enhanced operational efficiency for the management of records.

The majority of QPAT's records are related to public performances and events hosted at QPAT. These records are archived on a permanent basis as they provide the cultural history of QPAT and the performing arts in Queensland.

Public sector ethics

The Chair and members of the Board, the Chief Executive and all staff are bound by an internal Code of Conduct approved by the Trust, in accordance with the *Public Sector Ethics Act 1994*. The standards of conduct stated in the Code of Conduct align with the ethics principles and values set out in the *Public Sector Ethics Act 1994*.

The ethics principles are:

- Integrity and impartiality;
- Promoting the public good;
- Commitment to the system of government; and
- Accountability and transparency.

The ethics principles and values and the standards of conduct stated in the Code of Conduct are provided to all staff upon induction and available on QPAC's intranet. The Code of Conduct is available for inspection by any person at QPAC's offices. Staff are given access to education and training about the code of conduct and public sector ethics at regular intervals. QPAC's administrative procedures and management practices, including its human resource management and procedures, and planning processes are developed and conducted having regard to the ethics principles and values set out in the *Public Sector Ethics Act 1994* and QPAC's Code of Conduct.

QPAC's Strategic Plan 2021-2025 and the QPAC Values are congruent with the public sector ethics principles and the Code of Conduct. Integrity and accountability are incorporated into all organisational decisions and activities. Employee agreements incorporate ethics priorities and the requirements of the *Public Sector Ethics Act 1994*.

Human Rights

In response to commencement of the *Human Rights Act 2019* (HRA) on 1 January 2020, QPAC conducted a preliminary review of its policies, programs, procedures, and practices to confirm consistency with human rights. The General Counsel oversees the implementation of all policies and procedures with a view to ensuring that there is no incompatibility with the HRA.

QPAC has not received any human rights complaints.

Human resources

Workforce planning and performance

As at 30 June 2022 QPAC's workforce was constituted of 307 full time equivalent staff. The permanent attrition rate during the year was 0 per cent and the permanent retention rate was 107.5 per cent.

Human Resources

QPAC recorded 100 per cent compliance with the Enterprise Bargaining Agreement (EBA) in 2021-22. During this period, QPAC's Enterprise Bargaining Agreement was renegotiated and approved by the Fair Work Commission. Nil hours were lost to industrial disputation through the EBA process. QPAC's Joint Consultative Committee continued to play a vital role by ensuring that employee representatives have opportunity to raise and work through organisational issues in a consultative forum with management.

QPAC recognises the importance of delivering work life strategies to attract and retain skilled employees and offers flexible working hours, part time employment and working from home arrangements.

The Friends of QPAC Program continues to maintain a strong connection with previous QPAC employees who have dedicated 15 years or more of service to QPAC. This program aims to continue QPAC's engagement and recognition of past employees' contributions and commitment. The program welcomed four new members in the 2021-2022 financial year and now has a total membership of 54.

Organisational Culture

To support and nurture a culture that provides an opportunity for employees to give direct feedback to support the future direction of working at QPAC, QPAC conducted an Employee Engagement Survey in 2021. With a positive response rate, the survey identified key themes for development both companywide and within individual business units. Unit specific result presentations and workshops have been rolled out to identify solutions.

QPAC's Reward and Recognition Program has continued to gain momentum since its inception in July 2007. The purpose of this program recognises and rewards QPAC staff (as individuals or teams) who deliver beyond their usual duties, demonstrating the QPAC Values either internally or externally. The Reward and Recognition Program encompasses Values Cards, On the Spot Rewards, Team Awards, Quarterly Nominations, and a Learning Hero Award in recognition of employees who show initiative in their learning journey. The Reward and Recognition Program continues to be a popular and well used engagement initiative among QPAC staff.

Wellbeing

In 2021-2022, QPAC continued its support of the Lifeblood Program with the Australian Red Cross. This program has resulted in QPAC staff donating blood and collectively helping to save 69 lives in this financial year.

Now running for 16 years, QPAC's Wellness Program has four elements: move, nourish, mind and support. It has continued to grow and have a positive impact on employees with programs offered around events

such as Mental Health Awareness Week, R U OK Day, flu vaccinations, skin checks, fitness passport (a low membership fee program for pools and gyms across Queensland and Northern New South Wales), superannuation and financial health checks.

All employees have access to the Employee Assistance Program, a confidential counselling service. This includes an app that all staff can access and offers free mental health support and wellbeing services, including a wellbeing check, personal wellbeing tracker and various resources and tools.

Learning and Development

QPAC's Learning and Development Framework is now well adopted and continues to expand every year, demonstrating QPAC's commitment to a working environment enabling staff to develop skills, knowledge and effectiveness within QPAC and to promote improved performance in support of QPAC's goals and priorities.

All QPAC employees have direct access to a library including more than 1000 professional development courses on the LMS.

Numerous professional development opportunities such as attendance at offsite workshops/training programs, seminars and conferences and individual LinkedIn Learning licences continued to be offered as part of the ongoing Learning and Development program at QPAC.

Work Health and Safety

In 2021-22, QPAC operated with the continued challenges of COVID-19. The complexity of operating under COVID-19 restrictions was reduced and capacities across venues was removed. Following on from the restrictions being lifted - QPAC was affected by the significant flooding event in March 2022. The development of interim Safety Management Plans and day-to-day safety oversight so that QPAC employees could gain entry to flooded areas safely to commence flood recovery was the priority.

The annual external Safety audit based on ISO 45001 accreditation was conducted in June 2022. The focus of the audit was to gauge the maturity of the safety Management System against all elements of ISO 45001.

The review of the Safety Management System capability and operations coverage was completed and identified gaps have been mapped and procedures are being developed across those gaps.

Performance measurements and monitoring has been enhanced through Power BI reporting and analytics. Dashboard reports have been published to a SharePoint page and the information is discussed at the monthly Work Health and Safety Committee meeting.

The tidy Workplace Award was won by the Lighting Electrical workshop.

Workforce profile data¹

FTE	
Total FTE for QPAC	307

Target group data

Gender	Number (Headcount)	Percentage of total workforce (calculated on headcount)
Women	373	54.9%
Man	305	44.9%
Non-binary	<5	<5%

Diversity Groups	Number (Headcount)	Percentage of total workforce (calculated on headcount)
Women	373	54.9%
Aboriginal Peoples and Torres Strait Islander Peoples	11	1.62%
People with disability	21	3.09%
Culturally and Linguistically Diverse – Born overseas	18	2.65%
Culturally and Linguistically Diverse – Speak a language at home other than English (including Aboriginal and Torres Strait Islander languages or Australian South Sea Islander languages)	61	8.97%

	Number (Headcount)	Percentage of total Leadership Cohort (calculated on headcount)
Women in leadership roles ²	17	45.95%

1. To ensure privacy, in tables where there are less than 5 respondents in a category, specific numbers should be replaced by <5.

2. Women in Leadership Roles are considered those positions that are Senior Officer and equivalent and above.

Data definitions

Full-time equivalent is calculated by the number of hours worked in a period divided by the award full-time hours prescribed by the award/industrial instrument for the person's position. For example, a person working 20 hours per week in a position prescribed as 40 hours has an FTE of 0.5. An organisation's FTE is the sum of all FTEs. Minimum Obligatory Human Resources Information (MOHRI) business requirements mean that this period is the last full fortnight of a quarter. The FTE reported in the annual report must be the same as that provided to the Public Service Commission as part of the June quarterly collection period for that same financial year.

OPEN DATA - DISCLOSURE OF ADDITIONAL INFORMATION

QPAT publishes the following information reporting requirements on the Queensland Government Open Data website (<https://data.qld.gov.au>) in lieu of inclusion in the annual report:

- Consultancies
- Overseas travel

GLOSSARY

Term	Description
Benefactors	Individuals or groups of individuals who have made a financial commitment to QPAC.
Board	QPAT's Board, comprising members of the Queensland Performing Arts Trust appointed under section 6(1) of the Queensland Performing Arts Trust Act 1977.
Centre	Queensland Performing Arts Centre (the building).
Chief Executive	QPAT's Chief Executive appointed by the Governor in Council as the Director of the Queensland Performing Arts Trust under the Queensland Performing Arts Trust Act 1977.
Concert Hall	QPAC's 1,600 seat theatre primarily used for classical music concerts, contemporary music and comedy.
Cremorne Theatre	QPAC's 277 seat theatre used for smaller theatre productions. The Cremorne Theatre underwent extensive renovations in 2017.
Donors	Individuals who have made a financial contribution to QPAC.
Green Jam	A series of free, outdoor concerts curated by QPAC. Taking place on the Melbourne Street Green, Green Jam showcases local students, young, emerging and early career artists across a range of genres and performance styles.
LMS	Learning Management System.
Lyric Theatre	QPAC's 2,000 seat theatre used primarily for musicals, operas and large dance and music productions.
Melbourne Street Green	The Melbourne Street Green is a shaded, open space located at the Grey Street entrance to QPAC. The outdoor stage hosts a variety of performances including a regular program of free entertainment including Green Jam on Friday evenings.
New Performing Arts Venue	In May 2018, the Queensland Government announced a new \$150 million performing arts venue, with a 1,500 seat theatre, to be constructed on the Playhouse Green site at QPAC. The project is managed by Queensland's Department of Housing and Public Works Project Delivery Team on behalf of QPAC and Arts Queensland.
NPAV	New Performing Arts Venue.
Playhouse	QPAC's 850 seat theatre used primarily for theatre, classical and contemporary dance.
QPAC	The Queensland Performing Arts Centre, operated by the Queensland Performing Arts Trust. For the purposes of this report, the QPAC acronym is used more broadly (than QPAT) when referring to activities undertaken at the Centre.
QPAT	Queensland Performing Arts Trust, the Queensland Government statutory body responsible for QPAC, established under the Queensland Performing Arts Trust Act 1977.
QPAC At Home	An e-newsletter developed in response to QPAC's theatre closures due to COVID-19, designed to keep audiences engaged with QPAC and deliver performing arts content online.

QPAC Choir	A contemporary community choir providing access to imaginative repertoire, challenging skill development, social opportunities and the opportunity for members to participate in public performances.
QPAC International Series	The QPAC International Series presents Queensland exclusive seasons by some of the world's leading performance companies. The QPAC International Series is supported by the Queensland Government through Tourism and Events Queensland.
QTIC	Queensland Tourism Industry Council.
QTIX	QPAC's ticketing service arm. QTIX provides all ticketing services for QPAC and is also used by various arts organisations and museums and galleries from around Australia. QTIX is the leading arts focused full service ticketing solution for the arts industry in Australia.
QUT	Queensland University of Technology.
Risk Management and Audit Committee	A committee of the Board responsible for assisting the Board in overseeing QPAT's internal control, audit and risk management functions.
RMAC	Risk Management and Audit Committee.
Scholar in Residence	A joint appointment between QUT and QPAC to bridge ideas and practice in arts and education. The role also looks at the everyday interconnections between QPAC, its audiences and communities to generate maximum value and impact from QPAC's programs.
SDS	Service Delivery Statement
Service Delivery Statement	Financial and non-financial information prepared for the State Budget process each year. A separate document is provided for each departmental portfolio and one for the Legislative Assembly of Queensland.

COMPLIANCE CHECKLIST TEMPLATE

Summary of requirement	Basis for requirement	Annual report reference	
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	1
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary Public availability Interpreter service statement Copyright notice Information Licensing 	ARRs – section 9.1 ARRs – section 9.2 Queensland Government Language Services Policy ARRs – section 9.3 Copyright Act 1968 ARRs – section 9.4 QGEA – Information Licensing ARRs – section 9.5	2 73 77 77 77 77
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	3
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives Agency objectives and performance indicators Agency service areas and service standards 	ARRs – section 11.1 ARRs – section 11.2 ARRs – section 11.3	5 8 8
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	21
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure Executive management Government bodies (statutory bodies and other entities) Public Sector Ethics Human Rights Queensland public service values 	ARRs – section 13.1 ARRs – section 13.2 ARRs – section 13.3 Public Sector Ethics Act 1994 ARRs – section 13.4 Human Rights Act 2019 ARRs – section 13.5 ARRs – section 13.6	63 66 N/A 70 70 N/A

Governance – risk management and accountability	• Risk management	ARRs – section 14.1	68
	• Audit committee	ARRs – section 14.2	68
	• Internal audit	ARRs – section 14.3	69
	• External scrutiny	ARRs – section 14.4	69
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	70
	• Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	N/A
Open Data	• Statement advising publication of information	ARRs – section 16	72
	• Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 31.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 31.3	N/A
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	59
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	60

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

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Queensland Performing Arts Trust annual report for the year ended 30 June 2022

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Please contact telephone 07 38407400 or email reception@qpac.com.au for further information or to obtain a hard copy of the report.

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding this report, you can contact us on telephone 07 3840 7400 and we will arrange an interpreter to effectively communicate the report to you.



The Queensland Performing Arts Trust welcomes feedback on this annual report. Please complete the online feedback form at <https://www.getinvolved.qld.gov.au/gji/>.

