

QUEENSLAND **PERFORMING ARTS** CENTRE ANNUAL REPORT 2018-2019



21 August 2019

The Honourable Leeanne Enoch MP
Minister for Environment and the Great Barrier Reef
Minister for Science and Minister for the Arts
GPO Box 5078
BRISBANE QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2018-2019 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 2009*, 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 68 of this annual report.

Yours sincerely

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

Professor Peter Coaldrake AO
Chair
Queensland Performing Arts Trust

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INTRODUCTION

Vision

A lifetime of unforgettable live performances for all Queenslanders.

Mission

To engage people through live performance to enrich lives and help create connected communities.

Values

- People come first
- We are passionate hosts
- Fabulous is the new normal
- We lead boldly and bravely
- We thrive together not alone
- We value the wellbeing and safety of our people

Queensland Performing Arts Centre

The Queensland Performing Arts Centre (QPAC) is governed by the Queensland Performing Arts Trust (Trust). As Queensland's state performing arts centre, QPAC's core mandate is to contribute to the cultural, social and intellectual development of all Queenslanders. The Trust has three key roles, namely: presenting artistic programs; demonstrating leadership through arts learning; and managing the performing arts centre. Supporting these roles, the Trust has a number of operations that are commercial in nature, including the supervision of QPAC in presenting, producing, investing, and hiring out the Centre's theatres and spaces, as well as providing services including operating commercial food and beverage outlets, QTIIX (ticketing business) and providing a range of services to hirers and partners including marketing, production and venue hire.

QPAC firmly believes that the performing arts help people to express themselves as well as connect with others by challenging everyone to see life through a different lens. This underpins the curation of QPAC's diverse, rich and full program.

Since opening in 1985, QPAC has welcomed more than 23.5 million visitors to its four theatres and other performance spaces. In 2018, the Queensland Government announced it would invest in the construction of a new theatre at QPAC, delivering the potential to host an additional 300,000 visitors each year when fully operational.

Service Area Objective

To strengthen Queensland's arts sector and contribute to the cultural, social and intellectual development of all Queenslanders.

Service Area Description

QPAC delivers exceptional live performance and learning experiences for Queenslanders and visitors. The venues within QPAC are managed to generate arts outcomes for the State through positive commercial returns. QPAC curates an annual live performance program that includes QPAC variously as a producer, presenter, venue or investor and features productions of local, national and international companies. This specially tailored program enhances lifelong learning through art. As well as these programming functions, the Trust is a commercial manager of its venues including managing and operating QPAC's four theatres: Lyric Theatre, Concert Hall, Playhouse and Cremorne Theatre.

Service area measures are included within the Outcomes section on page 9 of this report.

Queensland Performing Arts Trust

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

The Trust's functions include, but are not limited to:

- a. to produce, present and manage the performing arts in the building occupied by the Trust at the Queensland Cultural Centre or any other building;
- b. to establish and conduct schools, lectures, courses, seminars and other forms of education in the performing arts;
- c. to teach, train and instruct persons and promote education and research in the performing arts;
- d. to provide or assist in providing premises and equipment for the purpose of the presentation of the performing arts;
- e. to promote and encourage the development and presentation of the performing arts;
- f. to promote and encourage public interest and participation in the performing arts;
- g. to promote and encourage either directly or indirectly the knowledge, understanding, appreciation and enjoyment of the performing arts; and
- h. to encourage, for persons resident in Queensland, participation as performers for the performing arts and involvement in other aspects of the performing arts.

For performing its functions, the Trust has all the powers of an individual and may, for example, enter into arrangements, agreements, contracts and deeds; acquire, hold, deal with and dispose of property; engage consultants; appoint agents and attorneys; charge and fix terms, for goods, services, facilities and information supplied by it; and do anything else necessary or desirable to be done in performing its functions.

Object and Guiding Principles

In performing its functions, the Trust must have regard to the object of, and guiding principles for, 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:

- a. leadership and excellence should be provided in the performing arts;
- b. 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;
- c. there should be responsiveness to the needs of communities in regional and outer metropolitan areas;
- d. respect for Aboriginal and Torres Strait Islander cultures should be affirmed;
- e. children and young people should be supported in their appreciation of, and involvement in, the performing arts;
- f. diverse audiences should be developed;
- g. capabilities for lifelong learning about the performing arts should be developed;
- h. opportunities should be developed for international collaboration and for cultural exports, especially to the Asia Pacific region; and
- i. content relevant to Queensland should be promoted and presented.

OVERVIEW FROM THE CHAIR AND CHIEF EXECUTIVE

The end of financial year provides an opportunity to reflect on what has been another extraordinary year for QPAC. Our role as a public cultural institution and civic space where people, performances, and ideas connect remains as strong as ever and this year's results demonstrate QPAC's ongoing commitment to reflecting, shaping, and giving voice to diverse communities throughout Queensland.

The journey of the new theatre at QPAC has progressed with the announcement in May 2019 of Blight Rayner + Snøhetta as the design team. Featuring a dramatic glass façade, two new studio spaces, and transparent foyer spaces, the fifth venue will provide a unique identity for QPAC while acknowledging and respecting Robin Gibson's original vision. The design will be finalised in the coming months with early works commencing in 2020. This significant addition to QPAC will also enable further expansion of our program and help broaden our reach across Queensland, meeting audience demands, growing our performing arts industry, and showcasing local stories and talent. We extend our appreciation and thanks to the Queensland Government for its ongoing investment in the future of the performing arts in the State.

Our success this year has in no small part been driven by strong attendance, particularly for musical theatre and Queensland premieres. The expansion and depth of First Nations programming highlights a broad annual program that explores and presents a diversity of genres, companies, ideas, and concepts. This year has seen QPAC continue to build relationships throughout Queensland, laying a foundation for the coming year that will deliver the most ambitious regional program the organisation has yet undertaken.

This year has been significant for featuring two International Series: lavish productions and highly successful seasons from both Teatro alla Scala Ballet Company and the Bolshoi Ballet. This signature initiative continues to build QPAC's reputation as a destination for arts events and strengthens our connections with artists and companies around the world.

We have made new connections in the community, across the sector, and in regional areas. We have helped develop work from new Queensland companies such as Myths Made Here. We have commissioned new work from Queensland artists, in particular the theatrical performance *Armistice*, supported by the Australian Government's ANZAC Centenary Arts and Culture Fund. And we have celebrated the diversity of our communities and shared new stories.

Songs of Hope and Healing raised funds for the Friends of HEAL Foundation (FHEAL), which provides creative arts therapy in schools to young people of refugee backgrounds. *Impossible Conversations* imagined dialogues between real people and historical figures. Blue Roo Theatre Company's *Time to Go* featured an ensemble of artists with diverse ability and impairment. *Mother* saw Noni Hazlehurst make a stunning mainstage Brisbane theatre debut. JADE New World Collective inspired audiences with music that transcended cultural boundaries. And, with *Seedlings*, we are building partnerships with emerging First Nations artists with a view to creating opportunities for their voices to be nurtured, heard, and shared.

What happens on stage tells only part of QPAC's story and, behind the scenes, we continue to make upgrades and improvements, from establishing the Cybersecurity Framework to securing funds for new theatre lighting with the latest LED technology. Through such initiatives we commit to providing a safe space for staff, partners, and visitors alike and all our work behind the scenes contributes significantly to QPAC as a vibrant space in the public realm.

This year has seen QPAC bring together more than 1.5 million people across 1,215 performances and 292 seasons. These 1.5 million people have attended performances large and small, participated in workshops and conversations, visited exhibitions and installations, graduated from school and university, exchanged ideas, and created works. Through simulcasts, we have brought international performances to 11 regional centres, reaching more than 4,000 Queenslanders and, through streaming live events, we have reached many more. These audiences come together with artists and creative teams from all over the world and QPAC's own teams to make this one of the most exciting and dynamic places in Queensland.

Finally, we thank the QPAC Board, Executive Management and the entire QPAC team for their outstanding efforts in 2018-2019. It is a great privilege to lead this organisation and we look forward to the future together with confidence.

HIGHLIGHTS AND ACHIEVEMENTS

Attendance

1,503,529 visitors

1,028,668 ticketed attendances

474,861 attendance at unpaid events

32% from outside Brisbane

Programming highlights

1,215 performances across 292 seasons.

63% of seasons were by Queensland artists and companies.

2018 Out of the Box Festival: 18 events, including nine new commissions.

2018 QPAC International Series: Teatro alla Scala Ballet Company (Queensland exclusive and Company's Australian debut) performing *Don Quixote* and *Giselle*.

2019 QPAC International Series: Bolshoi Ballet (Queensland exclusive) performing *Spartacus* and *Jewels*.

Four major musicals: *Beautiful: The Carole King Musical*, *Priscilla Queen of the Desert*, *Jersey Boys*, and *The Book of Mormon*.

First Nations Programming including: Digital platform *Yawar – A Cultural Mapping Project*; *Seedlings* creative development, artist workshops, community events and performances; creative development of performance works *Dancing the Line* and *Woer Wayepa – The Water is Rising*; *Jarjums Life Museum*; *Tomorrow's Traditions* exhibition; and co-presentations of *The Mabo Oration 2019* and seasons by Bangarra Dance Theatre, and Aboriginal Centre for the Performing Arts.

Free events including: *Green Jam* on the Melbourne Street Green; simulcast of La Scala Ballet's *Don Quixote*; conversations as part of the QPAC International Series; and exhibitions in the QPAC Tunnel and Tony Gould Gallery.

Key awards

2018 Helpmann Awards winner

- Best Chamber and/or Instrumental Ensemble Concert: Jordi Savall with Hesperion XXI and Tembembe Ensamble Continuo, Perth Festival, Sydney Opera House, Melbourne Recital Centre and QPAC

2019 Helpmann Awards nominations

- Best Ballet: *Giselle*, Teatro alla Scala and QPAC
- Best Chamber and/or Instrumental Ensemble Concert: Sara Macliver in Concert with Camerata – Queensland's Chamber Orchestra and QPAC

2018 Matilda Awards

- Best Video Design: Craig Wilkinson – *A Christmas Carol*, shake & stir theatre co and QPAC
- Best Set Design: Josh McIntosh – *A Christmas Carol*, shake & stir theatre co and QPAC

2018 Queensland Multicultural Awards

- Winner: Government (local and state)

Industry

Performance home for state performing arts companies: Opera Queensland, Queensland Ballet, Queensland Symphony Orchestra and Queensland Theatre.

Continued to work with companies in residence: Brisbane Writers Festival, Camerata – Queensland's Chamber Orchestra, JADE New World Collective and Southern Cross Soloists.

Presented or co-presented work with Queensland companies including: Aboriginal Centre for the Performing Arts, BrisAsia Festival, Brisbane Festival, Expressions Dance Company, Myths Made Here, Queensland Music Festival, Medici Concerts, shake & stir theatre co, The Boxties, UQ School of Music and World Science Festival Brisbane.

Co-presented work with national companies: The Australian Ballet, Bangarra Dance Theatre and Kay and McLean Productions.

Issued a total 2,251,606 tickets through QTIx to events at QPAC and other venues around Australia.

BACKGROUND

Government Objectives for the Community

The Queensland Performing Arts Trust contributes to the achievement of the Queensland Government's objectives for the community:

KEEP COMMUNITIES SAFE

- Managing inclusive venues that are accessed and enjoyed by audiences, patrons and visitors of all ages, abilities and cultural backgrounds;
- Meeting industry standards for the safety and security of the community and workforce.

GIVE ALL OUR CHILDREN A GREAT START

- Connecting to diverse audiences of all ages through live arts experiences and digital platforms which share the stories and heritage of Queensland communities.

CREATE JOBS IN A STRONG ECONOMY

- Investing in quality programming and collaborating on exchanges of creative work that requires a broad range of roles and expertise – creators, producers, programmers, artists, technicians, marketers, administrators, food service workers and external service providers;
- Presenting unique and popular live productions to grow cultural tourism.

Strategic Plan 2018-2022

QPAC's Strategic Plan 2018-2022 set out the following strategic objectives. Key performance indicators are detailed in the Outcomes section from page 9 of this report.

Our place: connect audiences with arts experiences, no matter who or where they are. Strategies include:

- Be a place of significance, with strong emotional and cultural bonds to Queensland and its people;
- Extend audience access to experiences through our role as a welcoming, approachable and knowledgeable arts leader;
- Uphold the reputation of QPAC and the safety and security of our audience, staff and stakeholders.

Our program: deliver a broad program to reflect and enrich all lives. Strategies include:

- Secure and create inspiring content to stimulate, challenge, entertain and enthrall audiences;
- Build our capacity as producer, presenter and investor;
- Initiate exchanges of creative work on a local and international level.

Our audiences and communities: deepen and amplify engagement between audience, artist and artwork. Strategies include:

- Share local stories and content from our diverse communities;
- Forge and extend links between performances on stage and everyday life;
- Increase learning and participation in the performing arts through live and digital environments.

Our organisation and partners: foster an organisational culture built on leadership and collaboration. Strategies include:

- Unlock the potential of our relationships with partners, donors and sponsors;
- Share our producing experience, market insights and technical knowledge with arts industry partners to support sector growth;
- Continue to better connect our people, expertise, resources and data.

Our sustainability and growth: build financial, systems and workforce capacity to remain responsive to change and opportunity. Strategies include:

- Grow profitability to ensure continued viability as a business and in the role we play;
- Develop an expert and creative workforce that reflects the breadth of our community;
- Encourage innovative thinking and seek new opportunities for commercial entrepreneurialism.

Operational Plan 2018-2019

QPAC's Operational Plan 2018-2019 was based on its Strategic Plan 2018-2022.

Key deliverables under the Operational Plan 2018-2019 included:

- Respond to Government infrastructure priorities for the Queensland Cultural Precinct;
- Implement physical and cyber security initiatives to protect our visitors, operations and data integrity;
- Accelerate our program for renewal or replacement of our ageing theatre equipment;
- Extend the reach of QPAC programming across the state;
- Produce and present a broad program of musical theatre;
- Lead the Cultural Mapping Project, to explore and document the origins, evolution, ownership and protocols surrounding First Nations dance and song;
- Negotiate and facilitate an exclusive tour of Bolshoi Ballet;
- Profile stories from the local community in exhibitions and public conversations;
- Explore themes and issues addressed in stage productions in the QPAC Tunnel and Tony Gould Gallery;
- Scope the ability to provide valuable and relevant customer data and insights to QPAC partner organisations;
- Implement tactical practices across the organisation that deliver growth opportunities for visitation from tourism markets;
- Activate fundraising opportunities utilising QPAC database;
- Scope an online labour management system to support QPAC's large casual workforce;
- Scope a supplementary ticketing system to support a broader range of arts venues and events across Queensland and Australia with a more effective ticketing solution.

There were no modifications of the operational plan during the year.

The Minister for Environment and Great Barrier Reef, Minister for Science and Minister for the Arts did not give any direction to the Trust during or relating to the financial year.

Operating Environment

Queensland's growth, shifting demographics, changing lifestyle patterns, community expectations and technical innovations require continuous business agility. The Board believes in being responsive to community needs, industry standards and Government imperatives.

QPAC closely monitors the progress of major infrastructure proposals with citywide benefits that have potential to enhance or disrupt QPAC operations. The Queensland Heritage Listing of much of the Cultural Centre also introduces a new dimension in terms of balancing the cultural integrity of the built environment with contemporary design and innovations that meet customer expectations. Digital threats with the ability to compromise business data and personal information, require constant monitoring and rapid response using state-of-the-art business solutions. Preparation and planning for the new theatre at QPAC is required to minimise disruption to the precinct, patrons and staff during the construction period.

The Trust will positively respond to audience and industry needs. QPAC's significant program over the next four years will range from productions that tell local stories to world-class exclusive performances across all genres of the performing arts. This coupled with a digital transformation will grow audiences, reaching new communities nationally and internationally through regular live streaming and digital simulcasts. QPAC will preserve its data integrity by introducing new digital practices to protect the community from fraudulent and corrupt practices. QPAC will also progressively renew ageing infrastructure, particularly major theatre equipment, to reduce risk and deliver quality product to meet the expectations of QPAC's extended audiences.

While confident in its capacity to achieve this, QPAC remains vigilant in seizing opportunities to increase its revenue in a climate of competition for discretionary spend.

OUTCOMES

Our Place

Connect audiences with arts experiences, no matter who or where they are

Performance indicator	2017-2018 target	2017-2018 actual	2018-2019 target	2018-2019 actual
Visits to QPAC* <i>Attendance at onsite performances / events</i>	1,300,000	1,573,582	1,320,000	1,503,529**
Regional engagement^ <i>Percentage of Queensland statistical divisions where residents accessed QPAC content and performances</i>	n/a	n/a	100%	98%
Diverse audiences <i>Percentage of audience identifying as Aboriginal or Torres Strait Islander or from a non-English speaking background</i>	14%	8%	13%	6%

* Service Delivery Statement measure

** Positive variance was largely due to dedicated QPAC focus on driving attendances for Concert Hall and Lyric Theatre performances and maximising sold occupancy for all events in those venues. The year also included two QPAC International Series seasons in the Lyric and numerous large-scale musicals attracting volume audiences.

^ New measure

Even with an annual attendance as large as 1.5 million, QPAC aims to make every visitor feel as welcome and comfortable as possible. This includes ensuring that the venue facilities undergo regular review and refurbishment to meet customer expectations and the services provided aid and protect customers.

Since it opened in 1985, QPAC has undergone several internal refurbishments and QPAC continues to work with Arts Queensland to identify infrastructure priorities. In 2018-2019, QPAC received approval to install energy efficient LED lighting, develop design options to improve venue functionality and conduct a Condition and Functional Audit of the building and services infrastructure to identify asset renewal, refurbishment and/or repurposing. The audit will help identify priority works that will inform the development of a 10-year rolling infrastructure program.

The QPAC experience will be significantly enhanced in the future with the introduction of a new world-class venue, to be located adjacent to the Playhouse. Planning and construction of the new theatre is being managed by the Department of Housing and Public Works, in consultation with Arts Queensland and QPAC.

This project reached a major milestone in May 2019 with the announcement of architect Blight Rayner + Snøhetta as the winning tender to design the new theatre. Tenders for managing contractors have also been shortlisted. The target completion date for the new theatre is the end of 2022.

Brisbane Metro, a high-frequency rapid transit system, is currently under consideration by Brisbane City Council. With many QPAC patrons and staff using public transport to access the QPAC building and with the project requiring major construction works in the immediate vicinity, QPAC is a major stakeholder, participating in planning meetings to mitigate the impacts and identify potential enhancements for QPAC audiences.

In connecting audiences with arts experiences, it is essential that QPAC considers the safety and security of all customers. QPAC has been proactive in protecting customer data and identity by conducting a Cybersecurity Framework Review that adopts the requirements of the National Institute of Standards and Technology. The review has been developed in consultation with MinterEllison and has an

implementation timeline of three years. Progress to date includes:

- Installation of next generation firewalls;
- Implementation of a Vulnerability Management System;
- Constant monitoring and correction of systems security incidents;
- Staff phishing awareness and training; and
- Replacement and upgrade of computer equipment to provide enhanced security capabilities.

Other initiatives in 2018-2019 have included a project to strengthen controls around cardholder data and reduce credit card fraud; implementation of a new control system on the QPAC website; and development of specialised software for monitoring website use. The system, developed internally by QPAC web developers, was activated on the QPAC website in July 2018 with a tailored version of the system since deployed on the other QPAC hosted sites.

Recognising the importance of delivering quality arts experiences to regional Queenslanders, QPAC has appointed an Executive Producer to oversee the development and delivery of regional engagement initiatives and has encouraged the appointment of senior QPAC staff to the Board of Stage Queensland. The methodology for measuring regional engagement

changed in 2018-2019 to reflect the proportion of Queensland Statistical Areas (Level 2) represented by QPAC ticket holders. The previous regional audience measure considered the proportion of the ticket holders from regional areas as a proportion of total QPAC ticket holders. QPAC engaged with at least 98 per cent of all regions in the state in 2018-2019.

Regional Queenslanders connected with the QPAC International Series with simulcast performances of La Scala Ballet to a total of 11 locations around the state including Brisbane. The reach of QPAC programming was also geographically broadened through the live streaming of *The Mabo Oration 2019* via Facebook Live; launch of digital platform *Yawar – A Cultural Mapping Project*; live streaming of *Armistice* on Seven Network's 7 Plus; and a national screening of a documentary on the making of *Armistice*.

Extending the cultural diversity of audiences continues to be a goal of QPAC that is heavily reliant on program specific targeting. In 2018-2019 QPAC fell short of the target of 13 per cent, instead reaching 6 per cent. QPAC continues to seek opportunities to engage with audiences from diverse backgrounds. Programs such as *Songs of Hope and Healing*, Bangarra Dance Theatre's *Dark Emu*, JADE New World Collective, BrisAsia Festival and *The Mabo Oration*, as well as venue hire clients such as Shen Yun and Goran Bregović have helped QPAC connect with diverse communities.

Our Program

Deliver a broad program to reflect and enrich all lives

Performance indicator	2017-2018 target	2017-2018 actual	2018-2019 target	2018-2019 actual
Venue utilisation* <i>Total number of days booked in four main venues as a percentage of 365 days</i>	84%	88%	84%	88%**
Sold occupancy <i>Total number of tickets sold as a percentage of total tickets offered for sale</i>	73%	76%	73%	75%^

* Service Delivery Statement measure

** Positive variance on venue utilisation due to dedicated focus on securing a broad program of venue bookings for the Concert Hall, Playhouse and Cremorne Theatres, supplementing the usual high demand and utilisation of QPAC's Lyric Theatre.

^ Positive variance due to dedicated QPAC focus on driving attendances for Concert Hall and Lyric Theatre performances and maximising sold occupancy for all events in those venues.

QPAC's program is the primary way most audiences interact with the organisation. Delivering a broad program to reflect and enrich all lives is an important way to ensure QPAC remains relevant to, and representative of, its community.

The full program of performances at QPAC comprises a range of different genres and performance styles ranging from large-scale touring musical theatre to intimate conversations and masterclasses.

Large-scale musical theatre works presented in the Lyric Theatre included *Beautiful: The Carole King Musical*, *Priscilla Queen of the Desert*, *Jersey Boys* and *The Book of Mormon*. These long run seasons in QPAC's largest theatre are an important part of QPAC's overall program as they attract large audiences to QPAC, helping to raise awareness of the venue, grow the audience database and create consistent employment opportunities for casual production, front of house and food and beverage staff.

QPAC's venue utilisation figure, which was 88 per cent in 2018-2019, has remained consistently high over several years. The venue utilisation figure is calculated as the total number of days a venue is booked as a percentage of 365. This is averaged across four venues. Related to venue utilisation, is sold occupancy, which was 75 per cent in 2018-2019. The consistent demand for QPAC venues by producers supports the decision to construct a new theatre at QPAC by 2022.

The broad program produced and presented by the QPAC Curatorial team includes large-scale Lyric Theatre productions, co-presentations with national and international artists and companies as well as small to medium scale productions commissioned or

developed by QPAC or presented in collaboration with local companies.

QPAC has three signature events, two of which took place during 2018-2019: the 2018 Out of the Box Festival and two iterations of the QPAC International Series, with presentations of Teatro alla Scala Ballet Company (La Scala Ballet) in 2018 and the Bolshoi Ballet in 2019. Planning was undertaken during the year for the evolution and return of QPAC's third signature event, *Clancestry*.

The QPAC International Series connects Brisbane to the world's greatest stages through exclusive presentations of the world's finest performing arts companies.

In November 2018, QPAC presented *Don Quixote* and *Giselle* by Italy's acclaimed La Scala Ballet. The production of *Giselle* received a Helpmann Award nomination for Best Ballet and the in-theatre season was experienced by a total audience of more than 23,500.

In June and July 2019, the QPAC International Series presented Russia's Bolshoi Ballet, widely considered to be the world's premier ballet company. The company performed one of its iconic ballets, *Spartacus* as well as George Balanchine's *Jewels*.

The second signature event delivered by QPAC in 2018-2019 was the Out of the Box Festival which ran from 26 June to 1 July 2018. Out of the Box is a biennial festival for children aged eight years and under. In 2018 the festival achieved over 87,000 attendances by children and their teachers, parents or carers across all ticketed and drop-in events. The 2018 program explored three key ideas: the arts languages of children – movement and music; cultural plurality; and journey and exploration. The program delivered a total of 18 events,

comprised of seven in-theatre performances, three workshops, six activities and two exhibitions.

Apart from being an outstanding festival for young people, Out of the Box demonstrates QPAC's capacity as a producer and initiates exchanges of work on a local and international level. Of the 18 events in the 2018 festival, Out of the Box produced nine new commissions or works and world premieres. Two of the works commissioned for previous Out of the Box festivals – *Carnival of the Animals* and *Creature Interactions* – undertook or will undertake international tours, and planning is currently underway for one of the new works from the 2018 festival – *Duck* – to tour regional Queensland in 2020.

The QPAC First Nations program works towards furthering a deeper connection with First Nations Peoples of Queensland through leadership, development, and programming of existing and new work. Works forming part of the program during the year included Bangarra Dance Theatre's *Dark Emu*, Aboriginal Centre for the Performing Arts' *Eclipse* and *The Mabo Oration*, a biennial event co-presented by the Anti-Discrimination Commission Queensland and QPAC to contribute to a national conversation on Aboriginal and Torres Strait Islander cultures. For the first time, *The Mabo Oration 2019* was live streamed through Facebook Live, extending the audience by more than 15,000. Audiences were also encouraged to participate in conversations online.

To provide a strong foundation to the program, QPAC has engaged Colleen Wall to provide cultural advice in the development and implementation of a First Nations Engagement Strategy for the organisation, its staff and its program.

The Cultural Mapping Project is a multi-staged community legacy project undertaken by QPAC in partnership with The University of Queensland School of Social Science and the Maria Vasas Foundation. In 2018, Stage 1 *Song Men and Song Women of South East Queensland* documented the role of traditional song and dance for performers of Aboriginal and Torres Strait Islander dance groups who participated in the 2013, 2014 and 2015 events within *Clancestry*. This work fed into an exhibition, *Yerrabilla: Talking About Songs*, at The University of Queensland Anthropology Museum in August-December 2018 and the launch of a digital platform *Yawar – A Cultural Mapping Project* in December 2018. In conjunction with the digital platform and exhibition, a peer-review paper is being collated in collaboration with The University of Queensland. The paper is the first of several planned for both domestic and international journals and conferences.

Plans are progressing to reinvigorate QPAC's *Clancestry*, with a new format that aims to develop the professional and cultural skills of First Nations arts workers, including producers, curators and technical staff, through collaborations with local, regional and interstate artists

and organisations. The resulting new performance works will be delivered throughout 2019.

The works also include outcomes of creative development projects being undertaken under the *Seedlings* umbrella. *Seedlings* enables artists and creatives opportunities to explore and seed new ideas and challenge forms of expression. There are three platforms to the program – *Footprints*, *Sparks* and *Blakbeats*. *Footprints* explores the traditional and contemporary world of First Nations dance through the creative and cultural exchange of practising artists, with one outcome being performances at community festivals and events. Produced in partnership with Playlab Inc and Moogahlin Aboriginal Performing Arts Company, *Sparks* has supported six First Nations writers in taking their first steps into playwriting through an intensive five-day workshop. *Blakbeats* creates an opportunity for First Nations musicians to explore collections and languages and give voice to new songs. The first *Blakbeats* workshop saw five artists perform new works as part of QPAC's *Green Jam*. Artists have undertaken a further creative workshop in preparation for performances at Quandamooka and Yarrabah Arts Festivals.

New work under creative development includes *Dancing the Line*, a community-devised musical work that tells the stories of the Torres Strait Island community, their journeys to the mainland and their role in laying down the railway tracks in Queensland and Western Australia and *Woer Wayepa – The Water is Rising*, a theatrical piece about the impacts of climate change on coastal communities. *Dancing the Line* is being developed in partnership with Ailan Tracks and Opera Queensland.

Inspired by QPAC's *Clancestry* 2013-2015 and the *Yawar* online platform, the *Tomorrow's Traditions* exhibition showcased the evolution of Aboriginal dance in South East Queensland, celebrating the vibrancy and diversity of storytelling through movement, language, body paint, instruments and cultural exchange. The exhibition, held in QPAC's Tony Gould Gallery, featured five curated conversations with 30 First Nations artists. The conversations, *Yarning Up*, were free to attend and explored ownership, rights and control of First Nations artists in digital media, performing arts, music, dance and traditional knowledge.

Jarjums Life Museum, first presented at the 2016 Out of the Box Festival, is a platform for four to nine year old Aboriginal and Torres Strait Islander children to tell their stories and history through art. The collection of stories has continued to expand, with children from Darra and Inala participating in workshops and adding their stories in February 2019.

QPAC works with community led events and festivals to identify opportunities for creative, cultural, artistic and production support. In December 2018, QPAC worked with Meeanjin Markets to curate the Opening Ceremony Program and with four First Nations visual

artists to create installations throughout the course of the opening weekend.

Community was also central to QPAC's presentation of *Songs of Hope and Healing* in March 2019. The concert, co-presented with Friends of Heal (FHEAL), featured a cast of over 250 professional and community musicians from culturally diverse backgrounds and celebrated the role of the arts in creating social cohesion and civic well-being. The event, dedicated to the people of Christchurch in the wake of the shooting tragedy there, raised over \$17,000 for the FHEAL Foundation, which provides creative arts therapy to young people from refugee backgrounds who have experienced trauma and grief.

QPAC partnered with Brisbane City Council's BrisAsia Festival 2019 for the second time in developing and presenting five events across five weeks, including the Festival Opening, BrisAsia Symposium, BrisAsia Sounds and JADE *Crystal Moonlight* and Silk Road Ensemble concerts. The commitment to the BrisAsia Festival, the FHEAL Foundation through *Songs of Hope and Healing* and other multicultural projects saw QPAC win the 2018 Queensland Multicultural Award for Government (local and state).

Following a sold-out performance in 2016, Jazz at Lincoln Center Orchestra with Wynton Marsalis returned to QPAC in March for two performances, *Jazz Ambassadors* and *Monk, Miles & More*, as well as a *Jazz for Young People* concert. The season included 12 workshops with student big band and jazz ensembles plus a Q&A session with the orchestra, Wynton Marsalis and QPAC Scholar in Residence, Professor Judith McLean.

To commemorate the centenary of the armistice that ended World War I, QPAC created *Armistice*, melding archival footage, song, spoken word and music. In addition to the two performances in the Playhouse, the evening performance was live streamed nationally on Seven Network's 7 Plus. State funding was secured to create a documentary with Seven Network about the creation of and themes within *Armistice*. The documentary was broadcast in April 2019 to a national audience and is scheduled to be re-broadcast nationally by the Seven Network on Remembrance Day 2019.

QPAC presented a suite of holiday and family performances from December 2018 to January 2019, including *A Very Kransky Christmas*, shake & stir theatre co's *A Christmas Carol*, the 35th annual presentation of *Spirit of Christmas*, *The 91-Storey Treehouse*, *Deadly 60 Down Under* and the return of the now internationally successful magic franchise, *The Illusionists*.

Individual artists presented by QPAC during 2018-2019 included Korean superstar soprano Sumi Jo in recital with baritone, Jose Carbo; Broadway artist, Patti LuPone; Icelandic multi-instrumentalist musician, Olafur Arnalds; and renowned violinist, Nigel Kennedy.

All had exceptionally high production values, appealed to different audiences and helped strengthen QPAC's music database.

Collaborations and partnerships encourage an exchange of skills and knowledge and build the overall sustainability of the performing arts in Queensland. This financial year saw QPAC's first collaboration with new Queensland theatre company, Myths Made Here to present a fresh interpretation of *Cinderella*. This collaboration aims to present work that is particularly relevant to senior secondary school students. QPAC also continued to partner with one of the country's leading contemporary theatre companies, shake & stir theatre co in the presentation of *A Christmas Carol* and *Fantastic Mr Fox*.

Partnerships between QPAC and classical music ensembles, Southern Cross Soloists and Camerata – Queensland's Chamber Orchestra, delighted audiences with several concert outcomes throughout the year, while a new QPAC residency for JADE New World Collective saw the presentation of this ensemble's premiere concert, *Crystal Moonlight* in February 2019. The result of six months of incubation and development, this intercultural concert featured seven artists from diverse musical disciplines performing mostly original compositions reflecting contemporary, multicultural Brisbane.

In addition to these partnerships, QPAC is committed to co-producing, co-presenting, presenting and collaborating with companies and festivals including World Science Festival Brisbane, Brisbane Festival, The Australian Ballet, Aboriginal Centre for the Performing Arts, Expressions Dance Company, Queensland Conservatorium Griffith University, Voices of Birrallee and Queensland Youth Orchestra. QPAC is the Queensland performance home for national arts companies including Australian Chamber Orchestra, Australian Brandenburg Orchestra and Bangarra Dance Theatre.

The Helpmann Awards celebrate achievements in live performance throughout Australia and are administered by peak industry body, Live Performance Australia. In the 2018 Helpmann Awards, held in July 2018, QPAC won the award for Best Chamber and/or Instrumental Ensemble Concert for Jordi Savall with Hesperion XXI and Tembembe Ensemble Continuo, with Perth Festival, Sydney Opera House and Melbourne Recital Centre. For the 2019 Awards, QPAC has received two nominations for Best Ballet: *Giselle*, Teatro alla Scala and QPAC; and Best Chamber and/or Instrumental Ensemble Concert: Sara MacLliver in Concert with Camerata – Queensland's Chamber Orchestra and QPAC. The Queensland industry awards, the 2018 Matilda Awards, recognised QPAC for Best Video Design: Craig Wilkinson – *A Christmas Carol*, shake & stir theatre co and QPAC; and Best Set Design: Josh McIntosh – *A Christmas Carol*, shake & stir theatre co and QPAC.

Our Audiences and Communities

Deepen and amplify engagement between audience, artist and artwork

Performance indicator	2017-2018 target	2017-2018 actual	2018-2019 target	2018-2019 actual
Audience satisfaction* <i>Audience surveyed who rated their experience highly</i>	95%	93%	95%	92% **
Percentage of seasons by Queensland artists / companies <i>Calculated as a percentage of total seasons presented</i>	55%	55%	55%	63% ^

* Service Delivery Statement measure

** Audience satisfaction rating is regarded by QPAC as a satisfactory result for the year with the variance considered inconsequential. Variances can occur particularly on productions with strong themes where opinions are expected to be divided.

^ Positive variance due to higher number of collaborations with local production companies underpinning QPAC's desire to deliver opportunities for sector growth and build the sustainability of the live performance industry in Queensland.

QPAC supports participation, learning and deepening engagement with audiences and communities across the state. The high regard in which QPAC is held is reflected in consistently high audience satisfaction with both the program and the overall QPAC experience.

The program produced and presented by QPAC includes a range of activities designed specifically to deepen and amplify its impact utilising multiple platforms and building community relationships. It incorporates skill development and capacity building of local artists and learning and engagement opportunities with audiences to build context and provide information, interpretation, immersion, provocation and inspiration. It forges tangible links between what happens on QPAC stages with contemporary cultural life.

As well as the mainstage performances, each QPAC International Series incorporates a curated program of related events and activities in the lead up to and during the season to expand understanding of the productions, artists and/or the country each company calls home. Delivered in live and digital environments, the program includes exhibitions, talks and discussions, masterclasses and community participation.

During the 2018 QPAC International Series presentation of La Scala Ballet, events included *Place & Time – Cultural Transformations*, an exhibition examining the role and influence of cultural institutions between cities, societies and time periods; *Impossible Conversations*, a collaboration with Museum of Brisbane, where Brisbane residents of Italian heritage explored some of the impacts of Italian culture; *Talking Italian: In Conversation Series* exploring the program and the deep

impact of contemporary Italian culture; *The Student Movement*, a package of dress rehearsal, program and pre-performance talks specifically for students; Masterclasses for ballet professionals; and site activations to link the indoor and outdoor spaces to the program.

Audiences beyond Brisbane had the opportunity to experience the excellence of La Scala Ballet within their own communities when a performance of *Don Quixote* was simulcast for free to 12 locations – Longreach, Mt Isa, Yarrabah, Townsville, Halifax, Maryborough, Bundaberg, Rockhampton, Mackay, Toowoomba, Brisbane and Darwin – reaching an audience of more than 4,400. The Bolshoi Ballet performance of *Spartacus* was simulcast to nine locations outside Brisbane on 6 July 2019.

Out of the Box – QPAC's biennial festival for children aged eight and under – is set to extend its reach in 2020 with a regional tour of productions from the 2018 Out of the Box Festival currently being planned.

Exhibitions and publications at QPAC are designed to enhance audience experience by exploring ideas and issues addressed in stage productions.

Connecting QPAC's program and contemporary life is the biannual *Story* magazine which builds arts literacy by encouraging conversation around arts, culture and issues of our time. Each edition has an overarching theme, inspired by the QPAC program. The June-December 2018 edition explored the theme of Madness, while the January-June 2019 edition explored Faith. The print magazine is distributed to selected locations around Brisbane and is available for free in

QPAC foyers. A digital version and individual articles are more widely available through The Creatory digital portal on the QPAC website.

Exhibitions in the Tony Gould Gallery and QPAC Tunnel embrace a wide range of cultural themes. In 2018-2019, exhibitions included *Place & Time – Cultural Transformations*, as part of QPAC International Series 2018; *Show and Tell*, exploring the power of objects and artefacts; *Winds of Poetic Mountains*, a contemporary fine art exhibition as part of an international exchange with Tunghai University, Taiwan; *Tomorrow's Traditions*, showcasing the evolution of Aboriginal dance in South East Queensland; and *I Am Spartacus: Revolutionaries, Radicals and Theatres of Dissent* as part of the QPAC International Series 2019. The Tunnel installations during this period were *Home* (Out of the Box Festival), *Impossible Conversations* (QPAC International Series 2018), *If I Had Wings*, and an exploration of composers and choreographers (QPAC International Series 2019).

A two-week season of *Mother* starring Noni Hazlehurst, presented by QPAC, was a success with audiences and raised awareness of homelessness in the community. QPAC supported a MICAH Projects charity fundraising performance of *Mother* attended by service providers working with homeless people and survivors of domestic violence. Throughout the season, audiences were encouraged to make a donation to Common Ground Queensland as part of an ongoing relationship between the organisation and QPAC, established to promote awareness of the benefits of supportive housing, exchange staff expertise and support the charity through fundraising initiatives.

In early 2019, QPAC established a partnership with community support organisation, Communify Queensland to invite a more diverse community to QPAC and to collaborate on building community capacity. Since the partnership began, QPAC has hosted Communify clients to curator talks and tours of exhibitions in the Tony Gould Gallery, backstage tours, behind the scenes talks with producers and

attendance at a dress rehearsal of the Bolshoi Ballet's *Spartacus*.

QPAC partnered with Sydney-based organisation, Artology, to launch the 2019 Fanfare program, assisting young Australians aged from 12 to 21 years to access music learning resources, inspiration and mentorship. Budding young composers were invited to compose a 30 second orchestral fanfare. Submissions closed in June 2019, and eight compositions will be chosen for development with a composer/mentor and ultimately recorded by the Australian Youth Orchestra. Participating major venues around the country will broadcast the winning fanfares in place of foyer bells prior to selected concerts. Co-presentation of this national launch has enabled QPAC to continue to assert a leadership role in the music learning and engagement field, creating a springboard for wider connection with Queensland schools and deepening relationships with national and state music organisations.

In response to an identified lack of accredited training available for arts workers choosing to work as teaching artists in the participatory arts, community arts and cultural development, QPAC collaborated with Sydney Opera House, New York's Lincoln Center, Professor Brad Haseman and online learning platform Kadenze to produce *The Basics of Teaching Artistry*. This self-paced professional development program offers potential for current teaching artists the opportunity to gain real-world knowledge, learn from industry leaders and form valuable professional networks.

The QPAC Choir, led by QPAC Choirmaster Timothy Sherlock, continues to encourage participation and learning among those who wish to experience the magic of joining together with others in song. Through weekly rehearsals and a variety of performance outcomes, the choir offers skill development, social opportunities and public performance. In 2019, QPAC built on the success of the QPAC Choir and QPAC Chamber Choir to form the QPAC Youth Choir for secondary students from years seven to 12.

Our Organisation and Partners

Foster an organisational culture built on leadership and collaboration

Performance indicator	2018-2019 target	2018-2019 actual
Collaborations		
Annual number of collaborative productions delivered with QPAC	160	194*

* Positive variance due to QPAC efforts in growing engagement with local and national companies to bring new stories to the stage as well as attract quality theatre experiences for QPAC audiences.

To continue to innovate and grow, QPAC must foster an organisational culture built on leadership and collaboration. Critical components of QPAC's organisational capacity are its staff, Development partners and donors.

QPAC staff are highly skilled across a range of specialities and one of the keys to a sustainable future is increasing their capacity and expertise. There are 331 full-time equivalent staff across QPAC made up of technical, administrative, full-time, part-time, casual and seasonal staff. The QPAC Employee Engagement Survey conducted in November 2018 indicated a staff engagement level of 75% (up from 51% in the previous survey held in 2016-2017). The feedback identified key themes for development both within individual business units and across the organisation, which are currently being considered within teams.

To support current and emerging leaders to transition to more complex leadership roles, the QPAC Leadership Roadmap was introduced to outline key leadership competencies and opportunities for development. In support of the formal learning component, QPAC rolled out a Leadership Program for emerging and existing leaders incorporating face-to-face and online learning modules, videos, self assessments and access to research-based content and thought leadership. The aim of the program is to develop more agile, competent and engaged leadership.

In an industry heavily reliant on casual staff, the development of an online rostering system, currently being scoped by QPAC for implementation in 2019-2020, will improve efficiencies and provide better and more timely information.

Senior QPAC staff participate in a range of advisory and leadership capacities on boards and panels across Australia. Organisations to which QPAC has contributed in a variety of ways include Live Performance Australia, Australia Council for the Arts, PAC Australia, Tourism and Transport Forum, AmCham (American Chamber of Commerce in Australia) and the Italian Chamber of Commerce and Industry (Queensland). In 2018-2019, QPAC executives have served on boards, committees

and panels for Actors' and Entertainers' Benevolent Fund (Qld), BlakDance, Brisbane City Council QUBE Effect, Brisbane Eisteddfod, Business South Bank, Camerata – Queensland's Chamber Orchestra, Dancenorth, Darwin Performing Arts Centre, Digi Youth Arts, Expressions Dance Company, Helpmann Awards, INTEX (International Ticketing Association), Live Performance Australia, Matilda Awards, Performing Arts Heritage Network, Queensland Music Awards, South Australian Circus School, Stage Queensland and Venue Management Association. QPAC hosted Chief Executive Officers from six Australian and New Zealand performing arts centres at a meeting of major performing arts centres in March.

As the ticketing partner for many arts companies and organisations in Queensland and nationally, QPAC has a responsibility to provide valuable and relevant customer data and insights to a number of external organisations. In 2018-2019, QPAC worked with these organisations to scope making available new reporting options using business information tools via the Microsoft Dynamics platform. Reporting is expected to be implemented early in the new financial year.

Through collaborations with local production companies, QPAC helps build the sustainability of the live performance industry in Queensland. Local collaborations have occurred with Expressions Dance Company in the presentation of *4Seasons* in collaboration with City Contemporary Dance Company of Hong Kong, new Brisbane company Myths Made Here, Aboriginal Centre for Performing Arts for the presentation of the school's major performance piece *Eclipse*, shake & stir theatre co with *A Christmas Carol* and *Fantastic Mr Fox*, BrisAsia Festival, Queensland Conservatorium Griffith University, JADE New World Collective's presentation of *Crystal Moonlight* and World Science Festival Brisbane.

International collaborations have included Tunghai University Department of Fine Arts for presentation of their exhibition, *Winds of Poetic Mountain*; Alison Friedman, Artistic Director, West Kowloon Cultural District and Steven Wolff, Principal AMS Planning and Research for conversations and workshops around

placemaking; Jazz at Lincoln Center Orchestra; Teatro alla Scala Ballet and Bolshoi Ballet.

Development partners, donors and benefactors assist QPAC to extend the reach of its activity. Development partners provided financial support for 619 children to attend the 2018 Out of the Box Festival as part of QPAC's Care for a Class program. The program enabled children who would not otherwise have had the opportunity to participate in this valuable learning activity by covering the cost of travel, tickets and lunch.

In 2018-2019, QPAC Development partners, donors and benefactors included:

- Principal Partners: Hyundai, MinterEllison (QPAC International Series), Heritage Bank (*Green Jam*)
- Major Partners: Treasury Casino and Hotel, Casella Family Brands, Ghella
- Supporting Partners: YFG Shopping Centres, Brisbane Airport Corporation, Mapei, Macquarie Telecom, Emporium Hotels South Bank, National Storage, Epoca, Schiavello
- Airline Partner: Singapore Airlines
- Transport Partner: Translink
- Accommodation Partner: Mantra
- Corporate Member: Qantas

- Media Partners: JCDecaux, Schwartz Media, Fairfax Media
- Trusts and Foundations: Maria Vasas Foundation, John Villiers Trust
- Major Benefactors: Dr Cathryn Mittelheuser AM, Anonymous
- Supporting Benefactors: Friends of Out of the Box, Friends of QPAC International Series
- Bequests: Anonymous (2)

Two fundraising appeals were implemented, utilising QPAC's database to identify potential donors and focused on engaging customers with the community-based work that QPAC undertakes.

As a Queensland Government statutory body, relationships with key government representatives remains a priority for QPAC. QPAC has a partnership with Tourism and Events Queensland to present and attract audiences from outside Brisbane to the QPAC International Series presentations of La Scala Ballet in 2018 and the Bolshoi Ballet in 2019. The QPAC International Series 2018 achieved 38% attendance from outside of Brisbane and generated 20,759 total visitor nights in Queensland, direct and incremental spending in Queensland of \$4.87 million and an economic impact to Queensland of \$5.71 million.

Our Sustainability and Growth

Build financial, systems and workforce capacity to remain responsive to change and opportunity

Performance indicators	2017-2018 target	2017-2018 actual	2018-2019 target	2018-2019 actual
Sustainable business growth <i>Actual gross revenue compared to previous years</i>	Positive	Positive	Positive	Positive
Non-government revenue as a percentage of total revenue* <i>Revenue earned from management of commercial services or private sources</i>	86%	85%	85%	86%

* Service Delivery Statement measure

All organisations need to build their financial systems and people capacity to remain proactive, agile and responsive to changes. In the financial year 2018-2019, QPAC maintained the positive sustainable business growth experienced in previous years.

Non-government revenue as a percentage of total revenue was 86 per cent in 2018-2019, sourced from four main revenue streams – venue hire, ticketing, food and beverage, and corporate partnerships.

QPAC's ticketing arm, QTIX, issues all tickets for QPAC productions as well as providing ticketing services to a number of other local and Australian companies and organisations including administration of their ticketing websites under a white label system. QTIX had strong growth during the financial year, issuing close to 2 million sold tickets in 2018-2019.

To build future capacity and future-proof an important revenue stream, QPAC is evaluating ticketing options that will enable QTIX to better service existing clients and expand its client base across Queensland and Australia. Following a call for Expressions of Interest for the provision of a ticketing solution, shortlisted suppliers have received an Invitation to Offer. Based on their responses, a recommendation will be considered in the new financial year.

A review of the QTIX pricing model has resulted in changes such as a fee for development work specific to individual clients' needs and an introduction of a QTIX transaction fee negotiated as contracts are renewed. A system to apply dynamic pricing to improve yield for specific events is currently being developed and will be trialled in coming months in consultation with producers.

To improve opportunities for commercial use of the QPAC Rooftop Function Room and Terrace, proposals were sought to refurbish the internal and outdoor spaces and kitchens. While concepts have been considered, this work is now on hold while scoping of works for the new theatre are considered. A proposed Functional Audit will further consider options for this space.

QPAC continues to scope new infrastructure required to increase capacity to reach regional areas both digitally and on the ground.

The new theatre at QPAC, a renewed focus on regional Queensland and First Nations programming and digital transformation have heralded an unprecedented period of change and growth for QPAC. At the same time, a number of large-scale construction and development projects including Brisbane Metro, Cross River Rail, Queen's Wharf and the flow-on effects of the development of new or existing thoroughfares such as the Neville Bonner Bridge, will improve connectivity vital to the long-term success of the overall precinct and city.

In March 2019, in anticipation of these changes and to help imagine a future as a connected, adventurous cultural institution, QPAC brought together some leading voices from around the world for a series of conversations and workshops about cultural organisations, cities and communities. Over two days in March 2019, QPAC staff, stakeholders, QPAC Members and arts industry colleagues from around Australia explored ways to connect with communities, placemaking, the role of Anchor Arts Institutions in enriching communities and cultural mapping.

Providing an international perspective and provoking the discussion were Alison Friedman, Artistic Director of Performing Arts, West Kowloon Cultural District, Steven Wolff, Principal AMS Planning & Research, USA, David Engwicht, Founder Creative Communities

International and Michael Lynch, former CEO of major international arts organisations including Sydney Opera House, Southbank Centre London and West Kowloon Cultural District Authority. Ideas generated in these conversations will be incorporated into future plans.

SUMMARY OF FINANCIAL PERFORMANCE

QPAC reported an operating surplus of \$6.089 million from total income of \$83.649 million for 2018-2019. The surplus included a Special Purpose Grant of \$1.567 million for asset related procurements and planning and a donation of \$2 million which has been quarantined to be applied towards QPAC's contribution to the new performing arts venue. The surplus also ensures availability of resources in the 2019-2020 financial year for a range of initiatives, particularly the development and upgrading of systems, infrastructure and equipment.

The level of total income is largely comprised of revenues from service activities which amounted to \$59.846 million, an increase of \$11.224 million compared to 2017-2018. The increase in revenue reflects the continuation of the extensive and diverse program, including four major commercial seasons: *Beautiful: The Carole King Musical*, *Priscilla Queen of the Desert*, *Jersey Boys* and *The Book of Mormon*.

Rental income, revenues from ticketing commissions and charges, sales of food and beverage and income from services provided to commercial hirers (note B1-1) reflected strong levels of activity, although comparatively lower than the previous year. An influential factor was a major co-presentation which affected the comparative levels of rental income and income from services provided to commercial hirers. The value of rental concessions provided to Queensland Government subsidised cultural organisations, charitable organisations, Government Departments and educational institutions was \$1.299 million in 2018-2019, an increase of \$0.234 million compared to the previous year.

The proportion, type and timing of QPAC entrepreneurial presentations and the QPAC International Series influenced the differentials to the levels of revenues and expenses compared to the previous financial year and these are detailed in notes B1 and B2 of the Financial Statements. In particular, project income of \$20.704 million in 2018-2019 was \$13.566 million higher than the \$7.138 million reported in 2017-2018, and costs of services (non-labour) increased by \$11.482 million from \$9.779 million in 2017-2018 to \$21.261 million in 2018-2019. This was primarily due to the presentation of a major co-production. The 2018 QPAC International Series season by Teatro alla Scala Ballet Company was also a factor. Expenditure on Public Engagement and Learning funded by the increase to the Operating Grant also contributed to the relatively higher levels of some expenditure.

Grants and Other Contributions also includes the recognition of the contribution by Arts Queensland for rent below fair value for the use of the premises by the Trust in the Cultural Precinct of \$7.579 million. There is a corresponding rental expense for the same amount in Note B2-2.

A Special Purpose Grant of \$1.567 million was received for the installation of LED lighting and to undertake a functional audit of operational infrastructure. Corresponding expenditure of \$0.77 million on lighting equipment forms part of the equipment asset acquisitions summarised in Note C4-2. The remaining balance of the grant amounting to \$0.797 million will be used to complete the projects in 2019-2020.

Donations of \$2.239 million in 2018-2019 include a single donation of \$2 million, the largest ever received by QPAC. This donation has been quarantined in QPAC's Building Development Reserve (Note C-10) to be applied towards QPAC's contribution to the new performing arts venue. This reserve has a total of \$6 million at 30 June following an allocation by QPAC of a further \$4 million generated from its long-term approach to planning and utilising financial reserves.

Grants and Other Contributions of \$21.989 million include the Operating Grant of \$10.604 million which has increased by \$1.0570 million compared to the previous year. The increase is primarily due to the first year of additional funding over a four year period for Public Engagement and Learning and was partially offset by the timing effect of the biennial Out of the Box Grant.

Careful management of cash flow ensured that \$1.741 million was able to be invested in the replacement of essential facilities, plant and equipment while maintaining cash and cash equivalents above \$17.832 million at the end of the financial year. This cash balance is required to back up general reserves detailed in Note C10 and listed in the equity section of the Statement of Financial Position.

QPAC's general reserves (as in Note C10) are set aside for specific purposes and amounted to \$15.066 million at 30 June 2019 and increased by \$5.662 million compared to the \$9.404 million of the previous year. This increase equates the aggregate level of the general reserves to the level of working capital and is below an upper parameter (specified in Queensland Treasury's Financial Reporting Requirement 4 F) being the level of the Operating Result from Continuing Operations for 2018-2019. QPAC's financial strategy is to ensure that adequate levels of financial resources are maintained

in order to manage the substantial commercial risks in the performing arts industry. QPAC's financial plan for 2018-2019 is based on the continuation of strong levels of activity across its full range of business services and targets a balanced budget.

Net assets increased by \$6.095 million from \$22.564 million in 2017-2018 to \$28.659 million at 30 June 2019.

QUEENSLAND PERFORMING ARTS TRUST

FINANCIAL STATEMENTS

For the Year Ended 30 June 2019

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		2019 Actual \$'000	2019 Original Budget \$'000	2019 Budget Variance* \$'000	2018 Actual \$'000
OPERATING RESULT	<i>Note</i>				
Income from Continuing Operations					
Revenues from service activities	B1-1	59,846	48,030	11,816	48,622
Grants and other contributions	B1-2	21,989	18,673	3,316	17,277
Other revenue	B1-3	1,814	2,037	(223)	1,588
Total Income from Continuing Operations		83,649	68,740	14,909	67,487
Expenses from Continuing Operations					
Employee expenses	B2-1	33,082	31,313	1,769	32,509
Supplies and services	B2-2	42,836	36,312	6,524	31,790
Depreciation and amortisation	C4-2/C5-4	1,017	952	65	955
Other expenses	B2-3	625	163	462	453
Total Expenses from Continuing Operations		77,560	68,740	8,820	65,707
Operating Result from Continuing Operations		6,089	-	6,089	1,780
Other Comprehensive Income					
<i>Items that will not be reclassified subsequently to operating result:</i>					
Increase in asset revaluation surplus	C9	-	-	-	521
Unrealised forward exchange contract loss	C10	6	-	6	(4)
Total Other Comprehensive Income		-	-	-	517
Total Comprehensive Income		6,095	-	6,095	2,297

**An explanation of major variances is included at Note F1-1
The accompanying notes form part of these financial statements*

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2019

		2019 Actual \$'000	2019 Original Budget \$'000	2019 Budget Variance* \$'000	2018 Actual \$'000
ASSETS	<i>Note</i>				
Current Assets					
Cash and cash equivalents	C1	17,832	10,754	7,078	14,108
Receivables	C2	3,840	2,781	1,059	2,443
Inventories	C3	376	308	68	316
Other	C3	783	702	81	203
Total Current Assets		22,831	14,545	8,286	17,070
Non-Current Assets					
Intangibles	C5-1	702	467	235	800
Property, plant and equipment	C4-1	12,891	12,694	197	12,086
Total Non-Current Assets		13,593	13,161	432	12,886
TOTAL ASSETS		36,424	27,706	8,718	29,956
LIABILITIES					
Current Liabilities					
Payables	C6	5,679	5,401	(278)	4,847
Accrued employee benefits	C7	1,726	1,246	(480)	1,985
Unearned revenue	C8	360	343	(17)	560
TOTAL LIABILITIES		7,765	6,990	(775)	7,392
NET ASSETS		28,659	20,716	7,943	22,564
EQUITY					
Contributed equity		1,033	1,033	-	1,033
Accumulated surplus		6,210	5,521	689	5,783
Forward exchange contract reserve	C10	-	-	-	(6)
Asset revaluation surplus	C9	6,350	6,276	74	6,350
Reserves					
- Building development	C10	6,000	1,606	4,394	2,850
- Equipment replacement	C10	4,271	1,649	2,622	1,759
- Working capital	C10	1,795	1,631	164	1,795
- Commercial development	C10	3,000	3,000	-	3,000
TOTAL EQUITY		28,659	20,716	7,943	22,564

* An explanation of major variances is included at Note F1-2
The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2019

	Accumulated Surplus		Asset Revaluation Surplus (Note C9)		Other Reserves (Note C10)		Contributed Equity		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance 1 July	5,783	5,783	6,350	5,829	9,398	7,622	1,033	1,033	22,564	20,267
Operating result from continuing operations	6,089	1,780	-	-	-	-	-	-	6,089	1,780
Other comprehensive income										
Increase in asset revaluation surplus	-	-	-	521	-	-	-	-	-	521
Unrealised forward exchange contract gain/(loss)	-	-	-	-	6	(4)	-	-	6	(4)
Total Comprehensive Income for the Year	6,089	1,780	-	521	6	(4)	-	-	6,095	2,297
Transfers between reserves	(5,662)	(1,780)	-	-	5,662	1,780	-	-	-	-
Balance 30 June	6,210	5,783	6,350	6,350	15,066	9,398	1,033	1,033	28,659	22,564

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019

		2019 Actual \$'000	2019 Original Budget \$'000	2019 Budget Variance* \$'000	2018 Actual \$'000
	<i>Note</i>				
Cash Flows from Operating Activities					
Inflows					
Revenues from service activities		58,593	47,850	10,743	48,763
Grants and other contributions		14,410	10,860	3,550	9,668
Interest		1,019	748	271	731
GST collected on sales		4,777	3,918	859	4,363
GST input tax credits received		2,755	2,135	620	1,869
Other revenues		787	1,269	(482)	857
Outflows					
Employee expenses		(33,341)	(31,323)	(2,018)	(31,790)
Supplies and services		(35,428)	(28,457)	(6,971)	(22,599)
GST paid on purchases		(2,861)	(2,141)	(720)	(1,857)
GST paid to Australian Taxation Office		(4,908)	(3,798)	(1,110)	(3,956)
Net Cash provided by/ (used in) Operating Activities	<i>CF-1</i>	<u>5,803</u>	<u>1,061</u>	<u>4,742</u>	<u>6,049</u>
Cash Flows from Investing Activities					
Payments for plant and equipment		(1,741)	(1,000)	(741)	(680)
Loans receivable repaid/(issued)		<u>(338)</u>	<u>-</u>	<u>(338)</u>	<u>-</u>
Net Cash provided/(used in) Investing Activities	<i>CF-2</i>	<u>(2,079)</u>	<u>(1,000)</u>	<u>(1,079)</u>	<u>(680)</u>
Net increase/(decrease) in cash and cash equivalents		3,724	61	3,663	5,369
Cash and cash equivalents at the beginning of financial year		14,108	10,693	3,415	8,739
Cash and Cash Equivalents at the end of financial year	<i>C1</i>	<u>17,832</u>	<u>10,754</u>	<u>7,078</u>	<u>14,108</u>

* An explanation of major variances is included at Note F1-3
The accompanying notes form part of these financial statements

NOTES TO STATEMENT OF CASH FLOWS

CF-1	Reconciliation of Operating Result to net cash (used in) provided by Operating Activities	2019 \$'000	2018 \$'000
	Operating Surplus	6,089	1,780
	<i>Non-cash items included in operating result:</i>		
	Depreciation and Amortisation	1,017	955
	Loss on Disposal of Property, Plant and Equipment	17	3
	Decline in fair values	100	-
	<i>Change in Assets and Liabilities:</i>		
	(Increase)/decrease in receivables	(1,053)	(128)
	(Increase)/decrease in inventories	(60)	(28)
	(Increase)/decrease in prepayments	(580)	(11)
	(Increase)/decrease in deferred expenses	-	2,260
	(Increase)/decrease in GST input tax credits receivables	(106)	12
	Increase/(decrease) in GST payables	(131)	406
	Increase/(decrease) in payables	969	13
	Increase/(decrease) in accrued employee benefits	(259)	530
	Increase/(decrease) in unearned revenue	(200)	257
	Net Cash provided by (used in) Operating Activities	5,803	6,049

CF-2 Non-Cash Investing and Financing Activities

There were no non-cash investing and financing activities occurring during the year.

SECTION 1

ABOUT THE TRUST AND THIS FINANCIAL REPORT

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 General Information

The Queensland Performing Arts Trust (the Trust) is a Queensland Government agency established under the Queensland Performing Arts Trust Act 1977.

The Trust 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 the Trust is 100 Grey St., SOUTH BRISBANE, QLD. 4101.

A1-2 Compliance with Prescribed Requirements

The Trust has prepared these Financial Statements in compliance with section 43 of the Financial and Performance Management Standard 2009, the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Regulation 2013.

These Financial Statements are general purpose Financial Statements and have been 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. In addition, the Financial Statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2018, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Trust has applied those requirements applicable to not-for-profit entities, as the Trust is a not-for-profit entity.

A1-3 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 2017-2018 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 the Trust 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'.

A1-4 Authorisation of Financial Statements for Issue

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

A1 BASIS OF FINANCIAL STATEMENTS PREPARATION (continued)

A1-5 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, and heritage and cultural assets which are measured at fair value; and
- Inventories which are measured at the lower of cost and net realisable value.

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.
- 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.
- 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.

Where fair value is used, the fair value approach is disclosed.

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.

A1-6 The Reporting Entity

The Financial Statements include all income, expense, assets, liabilities and equity of the Trust as an individual economic entity. The Trust does not control or have significant influences over another entity.

A2 OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE TRUST

The objectives of the Trust 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.

The Trust 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.

SECTION 2**NOTES ABOUT OUR FINANCIAL PERFORMANCE****B1 REVENUE****B1-1 Revenues from Service Activities**

	2019	2018
	\$'000	\$'000
Rental income – venues	7,089	7,884
Ticketing commission and charges	9,647	9,759
Sales – food and beverage	12,309	12,712
Services provided to commercial hirers	9,829	10,807
Project income	20,704	7,138
Other service revenue	268	322
	<u>59,846</u>	<u>48,622</u>

Accounting Policy – Revenues from Service Activities

User charges and fees are recognised as revenue when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This occurs upon delivery of the goods to the customer or completion of the requested services at which time the invoice is raised. Accrued revenue is recognised when the revenue has been earned but not yet invoiced.

B1-2 Grants and Other Contributions

	2019	2018
	\$'000	\$'000
Operating Grant	10,604	9,547
Special Purpose Grant	1,567	-
Contributions	7,579	7,609
Donations	2,239	121
	<u>21,989</u>	<u>17,277</u>

Accounting Policy – Grants, Contributions and Donations

Grants, donations and gifts which are non-reciprocal in nature are recognised as revenue in the year in which the Trust receives them. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

Contributions of goods or services received by the Trust 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.

Disclosure about Rental Income – Venues

Rental concessions provided to Government subsidised cultural organisations, charitable organisations, government departments and educational institutions, amounted to \$1.299 million (2018: \$1.065 million). These concessions are provided in accordance with the Trust's objectives under the Queensland Performing Arts Trust Act 1977.

Disclosure about Commission earned on Ticket Sales

Commission earned on ticket sales is included as revenue. Ticket sales for the year amounted to \$123.703 million (2018: \$123.503 million).

Disclosure about Grant Funding Received

The operating grant is a non-reciprocal grant of \$10.604 million (2018: \$9.547 million) from Arts Queensland. The grant has been recognised in its entirety upon receipt as the Trust has met the conditions of the grant agreement for receipt of the funding. There is no obligation to return any of the funding.

The special purpose grant was provided to fund two projects; the upgrade of lighting fixtures within the QPAC venue; and a QPAC venue functionality study. In accordance with AASB 1004, the full amount of \$1.567 million was recognised as revenue and no liability has been recognised at the reporting date for unspent funds of \$796,564. However, these funds will be reclassified as unearned revenue at 1 July 2019 (the transition date for the implementation of AASB 1058 and AASB 15).

Disclosure about Contributions below Fair Value

The Trust received a contribution in the amount of \$7.579 million (2018: \$7.609 million) from Arts Queensland equal to the amount of rent below fair value charged by Arts Queensland for the use of the premises by the Trust in the cultural precinct.

B1 REVENUE (continued)

B1-3 Other Revenue

	2019	2018
	\$'000	\$'000
Interest	1,027	731
Investment income	35	93
Sponsorship	752	764
	1,814	1,588

Accounting Policy – Interest

Interest is recognised at the time it is earned.

Accounting Policy – Investment Income

The Trust's investments in commercial programs are treated as loans and recorded in the Statement of Financial Position as receivables. As the loan amount is paid back, it is receipted against the original loan value. Any 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.

Accounting Policy - Sponsorships

The Trust 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 received are recognised as revenue in the period the contribution benefits are realised by the Trust.

B2 EXPENSES

B2-1 Employee Expenses

	2019	2018
	\$'000	\$'000
Salaries and wages	27,981	27,684
Employer superannuation contributions	2,683	2,538
Long service leave levy	538	517
Payroll tax	1,457	1,368
WorkCover insurance	394	375
Other employee costs	29	27
	33,082	32,509
Full-time equivalent employees	331	345

Accounting Policy – Wages and Salaries

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

Accounting Policy – Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper Defined Benefit Plan as determined by the employee's conditions of employment.

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.

Accounting Policy – Long Service Leave

Under the Queensland Government's Long Service Leave Scheme, a levy is made on the Trust 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.

Accounting Policy – Payroll Tax and Workers' Compensation Premiums

The Trust pays payroll tax on salary, wages and allowances. The Trust also pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Payroll Tax and Workers' Compensation insurance 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.

B2 EXPENSES (continued)**B2-1 Employee Expenses (continued)****Accounting Policy – Annual Leave**

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. Entitlements not expected to be paid within 12 months are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement. Annual leave is classified as a current liability as the Trust does not have an unconditional right to defer settlement beyond 12 months.

B2-2 Supplies and Services

	2019	2018
	\$'000	\$'000
Cost of services non labour	21,261	9,779
Rental	7,579	7,609
Facilities costs	4,627	5,156
Stock and consumables/materials	4,013	3,995
Administration, office costs and travel	4,384	4,105
Repairs, maintenance and equipment costs	612	796
Contractors, consultants, legal	360	350
	<u>42,836</u>	<u>31,790</u>

Accounting Policy – Supplies and Services

Supplies and services are recognised as an expense when the goods or services are received by the Trust and their value can be reliably measured.

B2-3 Other Expenses

	2019	2018
	\$'000	\$'000
External audit fees (1)	54	54
Internal audit fees (2)	61	24
Insurance (3)	180	178
Bank charges	119	103
Loss on disposal of property, plant and equipment	17	3
Decline in Fair Value expense (4)	100	-
Sundry	94	91
	<u>625</u>	<u>453</u>

Accounting Policy – 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.

Disclosure about Key Management Personnel Remuneration

Key management personnel and remuneration disclosures are detailed in Note E10-3.

Accounting Policy – Operating Leases

Lease payments for leases are recognised as expenses in the year in which they are incurred as this reflects the pattern of benefits derived by the Trust.

Disclosure about Rental

The Trust occupies the Queensland Performing Arts Centre provided by Arts Queensland at below fair value. Rent expense has been recognised in the amount of \$7.579 million (2018: \$7.609 million) being the amount below fair value as assessed by the State Valuation Service. The Trust received a contribution in the same amount from Arts Queensland.

Disclosure about Stock and Consumables/materials

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

Disclosure about Other Expenses

- (1) External audit fees quoted by the Queensland Audit Office relating to the 2018-2019 Financial Statements are \$54,000 (2018: \$54,000). There are no non-audit services included in these amounts.
- (2) Internal audit fees relate to the audit of the Trust's internal control system are: \$61,000; (2018: \$24,000).
- (3) Insurance for property and general liability with Queensland Government Fund (QGIF) is \$150,000, (2018: \$116,000).
- (4) An investment (loan receivable) made by the Trust was assessed and a decline in fair value expense was recognised in the amount of \$100,000.

SECTION 3

NOTES ABOUT OUR FINANCIAL POSITION

C1 CASH AND CASH EQUIVALENTS

	2019	2018
	\$'000	\$'000
Cash on hand and at bank	2,294	356
Deposits at call	15,538	13,752
	<u>17,832</u>	<u>14,108</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. It also includes liquid investments with short periods to maturity that are convertible readily to cash on hand, at the investor's option and that have a low risk of change in value.

C2 RECEIVABLES

	2019	2018
	\$'000	\$'000
Current		
Trade Receivables	1,554	1,430
Allowance for impairment	-	-
	<u>1,554</u>	<u>1,430</u>
Loans receivable	238	-
Accrued income	1,734	805
GST receivable	314	208
	<u>3,840</u>	<u>2,443</u>

Accounting Policy – Receivables

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 D2-3.

Accounting Policy – Loans Receivable

Loans receivable arise as a result of the Trust's investments in commercial programs. Loan repayments are receipted against the original loan value. An assessment is made on the fair value of the investment based on investor reports and market knowledge of industry experts. A decline in fair value expense is recognised when funds are unlikely to be received in full. 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.

Disclosure about Cash and Cash Equivalent

Cash and cash equivalents amounting to \$15.066 million (2018: \$9.678 million) have been set aside as cash backed funding for the Trust's general reserves.

Accounting Policy – Impairment of Receivables

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

Where the Trust 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.

Disclosure about calculation of provision for impairment

The Trust uses a provision matrix to measure the expected credit losses on trade receivables. Loss rates are calculated separately for groupings of customers with similar risk patterns. The Trust has determined that 95% represents a group of customers with revenue stream 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 the Trust. The remaining 5% relates to a group with revenue stream 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 four years preceding 30 June 2019 for each group. The historical default rates are then adjusted by frequent review and ongoing improvement in the information and collection processes.

C2 RECEIVABLES (continued)**Impairment of Receivables****Impairment Group – Receivables from Sales of Goods and Services**

Aging	2019			2018		
	Gross Receivables \$'000	Loss rate %	Excepted Credit Losses \$'000	Gross Receivables \$'000	Impairment Allowance \$'000	Carrying Amount \$'000
Current	1,107	-	-	1,252	-	1,252
1-30 days overdue	436	-	-	123	-	123
31-60 days overdue	11	-	-	55	-	55
61-90 days overdue	-	-	-	1	-	1
> 90 days overdue	-	-	-	-	-	-
Total	1,554	-	-	1,431	-	1,431

Accounting Policy – Accrued Income

Accrued income is in relation to income from productions and shows to be received by the Trust and are recognised at the time they are earned.

C3 INVENTORIES AND OTHER CURRENT ASSETS

	2019 \$'000	2018 \$'000
Inventories	376	316
Prepayments	783	203
	1,159	519

Accounting Policy – Prepayments

Prepayments are recognised and recorded when payments are made in advance of receiving goods and services.

Accounting Policy - Inventories

Inventories are valued at the lower of cost or net realisable value and are comprised of stock for the Trust's catering operations. Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition. Net realisable value is determined based on the Trust's normal selling patterns.

C4 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE

C4-1 Closing Balances

	2019 \$'000	2018 \$'000
Buildings		
- at independent valuation	350	350
- less: accumulated depreciation	(29)	-
	321	350
Land		
- at independent valuation	4,350	4,350
Leasehold Improvements		
- at cost	1,805	1,805
- less: accumulated depreciation	(1,098)	(1,008)
	707	797
Plant and Equipment		
- at cost	12,796	11,716
- less: accumulated depreciation	(8,504)	(8,241)
	4,292	3,475
Heritage and Cultural Assets (Concert Hall Grand Organ)	2,640	2,640
- at independent valuation	(63)	-
- less: accumulated depreciation	2,577	2,640
Motor Vehicles		
- at cost	108	108
- less: accumulated depreciation	(17)	(13)
	91	95
Work in progress – at cost	553	379
Total Property, Plant and Equipment – net book value	12,891	12,086

C4-2 Reconciliation of Property, Plant and Equipment

	Carrying Value at 1 July 2018 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers between classes \$'000	Revaluation \$'000	Depreciation \$'000	Carrying Value at 30 June 2019 \$'000	Fair Value Disclosures
Land	4,350	-	-	-	-	-	4,350	Level 2
Buildings	350	-	-	-	-	(29)	321	Level 2
Leasehold Improvements	797	-	-	-	-	(90)	707	
Plant and Equipment	3,475	-	(17)	1,455	-	(621)	4,292	
Motor Vehicles	95	-	-	-	-	(4)	91	
Heritage and Cultural Assets	2,640	-	-	-	-	(63)	2,577	Level 3
Work in Progress	379	1,741	-	(1,567)	-	-	553	
Total	12,086	1,741	(17)	(112)	-	(807)	12,891	

C4 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)**C4-2 Reconciliation of Property, Plant and Equipment (continued)**

	Carrying Value at 1 July 2017 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers between classes \$'000	Revaluation \$'000	Depreciation \$'000	Carrying Value at 30 June 2018 \$'000	Fair Value Disclosures
Land	4,350	-	-	-	-	-	4,350	Level 2
Buildings	136	-	-	-	221	(7)	350	Level 2
Leasehold Improvements	891	-	-	-	-	(94)	797	
Plant and Equipment	3,876	-	(3)	214	-	(612)	3,475	
Motor Vehicles	99	-	-	-	-	(4)	95	
Heritage and Cultural Assets	2,400	-	-	-	300	(60)	2,640	Level 3
Work in Progress	84	680	-	(385)	-	-	379	
Total	11,836	680	(3)	(171)	521	(777)	12,086	

C4-3 Recognition and Measurement**Accounting Policy – 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:

- Buildings and Leasehold Improvements \$10,000
- Land \$1
- Plant and Equipment \$5,000
- Heritage and Cultural Assets \$5,000

Accounting Policy – Cost of Acquisition

Historical cost is used for the initial recording of all acquisitions of assets. 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.

Accounting Policy – Measurement**Use of Specific Appraisals**

Land, buildings and heritage and cultural assets are measured at fair value less any subsequent accumulated depreciation and accumulated impairment losses where applicable. All other assets are measured at cost less any subsequent accumulated depreciation and accumulated impairment losses where applicable. This is in accordance with the AASB 116 Property, Plant & Equipment, AASB 13 Fair Value Measurement and Queensland Treasury's Non-Current Asset Accounting Policies for the Queensland Public Sector.

Non-current physical 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.

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

C4 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)

C4-3 Recognition and Measurement (continued)

Use of Indices

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. The Trust 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.

Accounting for Changes in Fair Value

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 as revenue 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.

C4-4 Depreciation of Property, Plant and Equipment

Accounting Policy

Land is not depreciated as it has an unlimited useful life.

Depreciation on buildings, 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.

Key Judgement: Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their 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:

Buildings and leasehold improvements	5 to 25 years
Plant and equipment and Motor vehicles	3 to 10 years
Heritage and Cultural Assets	50 years

C4-5 Impairment

Accounting Policy

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Trust 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.

C4 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION EXPENSE (continued)**C4-5 Impairment (continued)**

Value in use is equal to the present value of the future cash flows expected to be derived from the asset or, where the Trust 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 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 using either a market or income valuation approach, any accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation.

C5 INTANGIBLE ASSETS AND AMORTISATION EXPENSE**C5-1 Recognition and Measurement**

	2019	2018	Accounting Policy
	\$'000	\$'000	
Software at cost	1,710	1,796	Intangible assets of the Trust are comprised of purchased software.
less: accumulated amortisation	(1,008)	(996)	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. Each intangible asset, less any anticipated residual value, is amortised over its estimated useful life to the Trust.
	<u>702</u>	<u>800</u>	It has been determined that there is no active market for any of the Trust's intangible assets. Therefore, the assets are recognised at cost less accumulated amortisation and any impairment losses.

C5-2 Impairment**Accounting Policy**

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Trust 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 the Trust, 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.

C5 INTANGIBLE ASSETS AND AMORTISATION EXPENSE (continued)

C5-3 Amortisation

Accounting Policy

All intangible assets of the Trust have finite useful lives and are amortised on a straight-line basis over their estimated useful life to the Trust. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible assets useful life.

Key Estimate: For software purchased the useful life is 5 years.

C5-4 Reconciliation of Intangibles

	Carrying Value at 1 July 2018 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2019 \$'000
Intangible Assets	800	-	-	112	-	(210)	702
	Carrying Value at 1 July 2017 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2018 \$'000
Intangible Assets	807	-	-	171	-	(178)	800

C6 PAYABLES

Accounting Policy – Payables

	2019 \$'000	2018 \$'000	
Trade creditors	2,585	1,263	Trade creditors and Other creditors are recognised for amounts payable in the future for goods and services received, whether billed to the Trust.
Other creditors	2,579	2,938	Creditors are included at the nominal amount, i.e. agreed purchase price less any applicable discounts. Amounts owing are generally unsecured, not subject to interest charges and are normally settled within 30 days of receipt of invoice.
GST payable	515	646	
	<u>5,679</u>	<u>4,847</u>	

C7 ACCRUED EMPLOYEE BENEFITS

Accounting Policy – Accrued Employee Benefits

	2019 \$'000	2018 \$'000	
Annual leave	1,301	1,353	Refer to Note B2-1
Salaries and wages payable	425	632	
	<u>1,726</u>	<u>1,985</u>	

C8 UNEARNED REVENUE

Accounting Policy – Unearned Revenue

	2019 \$'000	2018 \$'000	
Unearned revenue	360	560	An advance received by the Trust is recognised as a liability (unearned revenue) until such time as the goods or services have been delivered or performed and the contract has been completed.
	<u>360</u>	<u>560</u>	

C9 ASSET REVALUATION SURPLUS BY ASSET CLASS

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

	Balance 1 July 2018 \$'000	Revaluation Increments \$'000	Revaluation Decrements \$'000	Balance 30 June 2019 \$'000
Land	3,900	-	-	3,900
Buildings	312	-	-	312
Heritage and Cultural assets	2,138	-	-	2,138
	6,350	-	-	6,350

	Balance 1 July 2017 \$'000	Revaluation Increments \$'000	Revaluation Decrements \$'000	Balance 30 June 2018 \$'000
Land	3,900	-	-	3,900
Buildings	91	221	-	312
Heritage and Cultural assets	1,838	300	-	2,138
	5,829	521	-	6,350

C10 RESERVES**Accounting Policy – 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 represents funds held for donations and allocations for the Trust's required \$25 million contribution towards the construction of the new theatre at QPAC to be completed by late 2022.

Equipment Replacement Reserve

The balance of this reserve represents funds held for future replacement of the Trust's general equipment needs, including information technology and theatre production equipment. The level of this reserve as at 30 June 2019 represents 44.1% (2018: 19%) of the total accumulated depreciation of the Trust's property, plant and equipment.

Working Capital Reserve

The Working Capital Reserve provides for fluctuations in working capital due to the volatile nature of the performing arts industry.

Commercial Development Reserve

The Commercial Development Reserve is to offset the financial risks associated with investments in co-presentations with commercial organisations or strategic productions undertaken by the Trust on a commercial basis.

Forward Exchange Contract Reserve

At year-end the Trust remeasures the forward exchange contract at fair value. The change in the forward exchange rate changes the fair value of the forward exchange contract. This creates an asset or liability depending on whether it is a gain or loss. The gain or loss is deferred in the Forward Exchange Contract Reserve account in equity. Where year-end does not fall between the inception date and the maturity date, there will be no need to remeasure the forward exchange contract at fair value during the life of the forward exchange contract.

When a forward exchange contract is executed and the payment is made on maturity date, the forward exchange contract asset or liability needs to be derecognised and the Forward Exchange Contract Reserve needs to be reclassified as an expense or revenue.

SECTION 4

NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

D1 FAIR VALUE MEASUREMENT

D1-1 Accounting Policy and Inputs for Fair Values

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.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Trust 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 the Trust include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Trust'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 the Trust 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.

None of the Trust'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.

D1-2 Basis for Fair Values of Assets and Liabilities

A market indexation assessment was undertaken by an independent API qualified valuer on behalf of JLT Asset Val Pty Ltd as at 30 June 2019. There was no material change in the values of the land, buildings, heritage and cultural assets previously valued as at 30 June 2018 by an independent API qualified valuer on behalf of Asset Val Pty Ltd using 'fair value' principles.

The Trust's land and building were valued using the direct comparison method. The direct comparison approach is where sales of similar types of properties have been compared to the subject property on a rate per square metre basis.

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

Loans Receivable is valued based on the present value of expected cashflows.

D2 FINANCIAL INSTRUMENTS**D2-1 General Objectives, Policies and Processes**

The Trust has the following categories of financial assets and financial liabilities.

	2019	2018
	\$'000	\$'000
Financial Assets		
Cash and Cash Equivalents	17,832	14,108
Loans and Receivables	3,840	2,443
	<u>21,672</u>	<u>16,551</u>
Financial Liabilities		
Payables	<u>5,679</u>	<u>4,847</u>

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

Accounting Policy – Financial Instruments**Recognition**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Trust becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Trade receivables – held at amortised cost
- Payables – held at amortised cost
- Cash and cash equivalents – held at amortised cost
- Foreign currency hedge – at fair value
- Loans receivable – at fair value

On 29th January 2015, a Derivative Transactions Master Agreement between Queensland Treasury Corporation and the Trust was entered into which outlines the terms and conditions upon which Queensland Treasury Corporation as an agent is able to undertake an appropriate process to execute foreign exchange hedging transactions for the Trust in accordance with the Queensland Treasury's Derivative Transactions Policy Guidelines (March 2002) (as amended) ("the Derivatives Policy").

A gain or loss is recognised between the derivative rate and the market rate of the derivative exposure at 30 June 2019. This amount is recognised in the forward exchange contract reserve and receivables/payables.

The Trust is exposed to risks that arise from its use of financial instruments. This note describes the Trust'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 the Trust'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 the Trust's risk management objectives and policies and, designing and operating processes that ensure the effective implementation of the objectives and policies to the Trust. The Trust's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Trust, where such impacts may be material. The Risk Management Audit Committee (RMAC) receives quarterly reports from the Trust's Director of 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 Trust's internal auditors also review the risk management policies and processes and report their findings to the RMAC, which in turn reports to the Board.

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

D2 FINANCIAL INSTRUMENTS (continued)

D2-2 Interest Rate Risk

The exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:

	Floating Interest Rate 2019 \$'000	1 Year or Less 2019 \$'000	Non Interest Bearing 2019 \$'000	Total 2019 \$'000	Weighted Average 2019 %
Financial Assets					
Cash on hand and at bank	2,152	-	142	2,294	0.43%
Short term securities – Deposits at call	-	15,538	-	15,538	2.74%
Receivables	-	-	3,840	3,840	-
Financial Liabilities					
Payables	-	-	5,679	5,679	-
	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 %
Financial Assets					
Cash on hand and at bank	254	-	102	356	0.50%
Short term securities – Deposits at call	-	13,752	-	13,752	2.54%
Receivables	-	-	2,443	2,443	-
Financial Liabilities					
Payables	-	-	4,847	4,847	-

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

D2-3 Credit Risk

Credit risk exposure refers to the situation where the Trust 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 balance 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 the Trust has a large number of customers. The Trust's policy is that sales are only made to customers that are credit worthy.

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

The Trust 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.

The maximum exposure to credit risk at balance date is as follows:

	2019 \$'000	2018 \$'000
Financial Assets		
Cash on hand and at bank	2,294	356
Short term securities	15,538	13,752
Receivables	3,840	2,443
	21,672	16,551

D2 FINANCIAL INSTRUMENTS (continued)**D2-4 Liquidity Risk**

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

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

The Trust manages liquidity risk through use of the Financial Reserves Policy. This policy aims to reduce exposure to liquidity risk by ensuring the Trust 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 the Trust's financial assets and liabilities. It represents the contractual maturity of financial assets and liabilities.

Maturity Analysis

	Less than 1 month	1-3 months	3 months to 1 year	Greater than 1 Year	Carrying Amount
	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000	2019 \$'000
Financial Assets					
Cash on hand and at bank	2,294	-	-	-	2,294
Short term securities	15,538	-	-	-	15,538
Receivables	3,602	-	238	-	3,840
Financial Liabilities					
Payables	5,679	-	-	-	5,679
Foreign currency hedge liability	-	465	143	-	608
	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000
Financial Assets					
Cash on hand and at bank	356	-	-	-	356
Short term securities	13,752	-	-	-	13,752
Receivables	2,443	-	-	-	2,443
Financial Liabilities					
Payables	4,847	-	-	-	4,847
Foreign currency hedge liability	-	19	621	-	640

D2-5 Net Fair Value

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

D2-6 Foreign Currency Exchange Risk

The Trust uses forward exchange contracts to eliminate the risk of foreign currency exchange rate changes. Forward exchange contracts are taken up for the entire amount of the hedged item. At 30 June 2019 the Trust had entered into foreign exchange hedge contracts for 285,000 Euros, and 100,000 USD (2018: 390,000 Euros and 15,000 USD).

At 30 June 2019, the Trust had an unrealised forward exchange contract loss of \$3,381 (2018: loss of \$5,820). The Trust has not recognised this amount as it is considered immaterial.

D3 NEW AND REVISED ACCOUNTING STANDARDS

Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

These standards will first apply to the Trust's 2019-2020 Financial Statements.

The Trust has reviewed the new revenue recognition requirements under these standards and the following impacts (or estimated impact where indicated) of adoption of the new standards:

Special Purpose Capital Grants

Under AASB 1058, special purpose grants received by the Trust to construct non-financial assets by the Trust will be recognised as a liability, and subsequently recognised progressively as revenue as the Trust satisfies its performance obligations under the grant.

The Trust has received one such grant on 29 April 2019 from the State Government of Queensland to upgrade venue lighting. At 30 June 2019, the full amount of \$1,067,000 was recognised in revenue in accordance with AASB 1004. At the 1 July 2019 transition date, \$296,564 of this grant amount will be reclassified to unearned revenue. This will increase the unearned revenue liability and total liability by \$296,564 with a corresponding debit to accumulated surplus at the date of transition.

Deferred Grant Revenue

The Trust has a grant arrangement with the State Government of Queensland that relates to funding of a concept design of public foyer and workplace office accommodation and to undertake a functional audit of operational infrastructure. These projects have been identified as having sufficiently specific performance obligations under enforceable grant agreements. For the year ended 30 June 2019, grant monies totalling \$500,000 for this project was recognised as revenue.

The total revenue from this grant will be allocated across the stages of completion as the costs are incurred and which represent each performance obligation to be delivered under the grant conditions. At the 1 July 2019 transitional date, \$Nil of these projects have been completed. As a result, an amount of \$500,000 representing the remaining uncompleted stages will be recognised as unearned revenue at 1 July 2019. An adjustment of \$500,000 will be a debit to accumulated surplus at the date of transition.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral and continue to be recognised as revenue as soon as they are controlled. The Trust receives grants for which there are no sufficiently specific performance obligations, so these grants will continue to be recognised as revenue upfront on receipt under AASB1058.

Sale of Goods and Services

The Trust has adopted the recognition of revenue from the sale of goods and services when earned and rendered to the customer. The Trust defers revenue to a later reporting period to the extent that the Trust has received cash but has not met its associated obligations. Such amounts would be reported as a liability (unearned revenue).

AASB 16 Leases

This standard will first apply to the Trust's 2019-2020 Financial Statements. When applied, the standard supersedes AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation 115 Operating Leases – Incentives and AASB Interpretation 127 Evaluating the Substance of Transaction Involving the Legal Form of a Lease.

Impact for Lessees

Under AASB 16, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position as right-of-use assets and lease liabilities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the commencement date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

D3 NEW AND REVISED ACCOUNTING STANDARDS (continued)**Future Impact of Accounting Standards Not Yet Effective (continued)****Impact for Lessees (continued)**

The lease liability will initially be recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. In accordance with Queensland Treasury's policy, the Trust will apply the 'cumulative approach', and will not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application.

Outcome of review as lessee

The Trust has completed its review of the impact of adoption of AASB 16 on the statement of financial position and statement of comprehensive income and has identified the following as outlined below.

The Trust's lease with the State Government has been classified as "Peppercorn Lease" on the basis that the consideration payable as rent if called upon is immaterial and would not require disclosure.

The Trust has also been advised by Queensland Treasury and Department of Housing and Public Works (DHPW) that, effective 1 July 2019, motor vehicles provided under DHPW's Fleet program will be exempt from lease accounting under AASB 16. This is due to DHPW holding substantive substitution rights for vehicles provided under the scheme. From 2019-2020 onward, costs for these services will continue to be expensed as supplies and services and expensed when incurred.

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

SECTION 5

NOTES ON OTHER ACCOUNTING INFORMATION

E1 SERVICES AND ASSETS PROVIDED TO THE TRUST

Arts Queensland, through the Department of Environment and Science, owns and maintains the Queensland Performing Arts Centre premises on behalf of the State of Queensland. The Trust 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). As described in note B2-2, the Trust pays rent below fair value for the use of premises in the Cultural Precinct.

E2 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 the Trust is only the custodian of these monies, they are not reflected in the Financial Statements.

Interest earned on the Trust monies held are included as 'Other Revenue' in the Statement of Comprehensive Income. The balance of monies invested at 30 June 2019 is \$20.748 million (2018: \$19.617 million).

E3 INSURANCE

The Trust's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund premiums being paid on a risk assessed basis. In addition, the Trust pays premiums to WorkCover Queensland in respect of all obligations for employee compensation.

E4 TAXATION

The activities of the Trust 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.

E5 EVENTS AFTER THE BALANCE DATE

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

E6 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:

	2019 \$'000	2018 \$'000
Plant and Equipment		
Payable:		
Not later than one year	-	100
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>100</u>

Non-Cancellable Operating Lease Commitments

Commitments under operating leases at reporting date (inclusive of non-recoverable GST input tax credits):

	2019 \$'000	2018 \$'000
Not later than one year	7	7
Later than one year but not later than five years	1	8
Later than five years	-	-
	<u>8</u>	<u>15</u>

E7 CONTINGENCIES

As at 30 June 2019 there are no material contingent liabilities for the Trust.

E8 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY**E8-1 Changes in Accounting Policy**

The Trust did not voluntarily change any of its accounting policies during 2018-2019.

E8-2 Accounting Standards Early Adopted

No Australian Accounting Standards have been early adopted for 2018-2019.

E8-3 Accounting Standards Applied for the First Time**Changes in accounting policies – AASB 9 *Financial Instruments***

The Trust applied AASB 9 *Financial Instruments* for the first time in 2018-2019. Comparative information for 2017-2018 has not been restated and continue to be reported under AASB 139 *Financial Instruments: Recognition and Measurement*.

The Trust's classification or valuation of the cash and cash equivalents has not changed. The treatment of Trade receivables and other current receivables has also not changed, however a fair value measurement is applied on Loans Receivable. Changes in the fair value of those assets are reflected in the Trust's operating result.

The new impairment requirements resulted in a provision being applied to all receivables rather than only on those receivables that are credit impaired. The Trust adopted a simplified approach under AASB 9 and measure lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision. Applying this approach, the Trust has estimated the provision for impairment for trade receivables at 30 June 2019 as \$nil.

Other than AASB 9 *Financial Instruments* detailed above, no accounting standards that apply to the Trust for the first time in 2018-2019 had any material impact on the Financial Statements.

E9 REMUNERATION OF TRUST MEMBERS

Remuneration paid or payable to Trust Members is as follows:

			2019	2018
			\$'000	\$'000
	Appointment date	Termination date		
S.A. Mitchell	1-Jul-10	30-Sep-17	-	2
S.A. Gallaher	1-Jul-07	30-Sep-17	-	3
C.R. Freeman	1-Sept-13	30-Sep-17	-	4
K.M. Blucher	1-May-14	30-Sep-17	-	2
P.O. Coaldrake	1-Oct-16	-	17	15
L.M. de Souza	10-Nov-16	-	7	7
C. Sarra	1-Oct-16	14-Jun-18	-	6
C.D. Berry	1-Oct-17	15-Mar-18	-	3
D.A. Power	1-Oct-17	-	7	5
S.B. Rix	1-Oct-17	-	9	7
M.L. Tabrett	1-Oct-17	-	8	6
Total			48	60

E10 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES**Accounting Policy – Key Management Personnel and Remuneration Disclosures**

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.

E10-1 Key Management Personnel

The following details include those positions that had authority and responsibility for planning, directing and controlling the activities of the Trust during 2018-2019 and 2017-2018. Further information on these positions is set out in the body of the annual report under the section relating to Executive Management.

E10 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES (continued)

E10-1 Key Management Personnel (continued)

Position	Responsibilities	Current incumbents	
		Contract Classification and appointment authority	Date appointed to position (Date resigned from position)
Chief Executive	Responsible for the provision of strong and effective leadership of QPAT and implementation of the Trust'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 the Trust'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/ Queensland Performing Arts Trust Act 1977	11-Dec-08
Executive Director – Curatorial	Responsible for creating, managing and implementing the curatorial strategies of the Trust through commercial hiring and producing programs, in addition to programs that fulfil the Trust's commitment to social justice, education, research, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. In addition, responsible for sourcing new opportunities for commercial productions to develop and expand the Trust's capability as a commercial producer.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	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 the Trust's strategic financial directions, actions and policies reflecting the objectives of the Trust 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/ Queensland Performing Arts Trust Act 1977	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 the Trust's strategic goals and organisational priorities. The responsibility also includes leading the Trust'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/ Queensland Performing Arts Trust Act 1977	9-Jun-14

E10 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES (continued)**E10-1 Key Management Personnel (continued)**

Position	Responsibilities	Current incumbents	
		Contract Classification and appointment authority	Date appointed to position (Date resigned from position)
Executive Director - Visitation	Responsible for leading the Trust'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 including overseeing the Trust's Development Unit, which is responsible for fostering corporate partnerships, philanthropy and sponsorships.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	20-Jan-14

E10-2 Accounting Policy – 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. The Trust 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.

E10-3 KMP Remuneration Expense

The following disclosures focus on the expense incurred by the Trust 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.

E10 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES (continued)

E10-3 KMP Remuneration Expense (continued)

1 July 2018 – 30 June 2019

Position	Short term employee benefits*	Non- Monetary benefits	Post- employment benefits	Termination benefits	Total Remuneration*
	Base \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	312	5	37	-	354
Executive Director – Curatorial (Acting)	194	4	26	-	224
Executive Director – Business Performance	202	4	26	-	232
Executive Director – Stakeholder Engagement Strategy	201	4	26	-	231
Executive Director – Visitation	192	4	18	-	214
Total Remuneration	1,101	21	133	-	1,255

1 July 2017 – 30 June 2018

Position	Short term employee benefits*	Non- Monetary benefits	Post- employment benefits	Termination benefits	Total Remuneration*
	Base \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	321	5	36	-	362
Executive Director – Curatorial	80	4	18	-	102
Executive Director – Curatorial (Acting)	139	3	18	-	160
Executive Director – Business Performance	187	4	26	-	217
Executive Director – Stakeholder Engagement Strategy	194	6	25	-	225
Executive Director – Visitation	192	4	17	-	213
Executive Director – Development	68	2	12	65	147
Total Remuneration	1,181	28	152	65	1,426

*These amounts include the expense for annual leave accrued, not the value of leave taken.

E10-4 Related Party Transactions

The parent entity and the ultimate controlling party of the Trust is the Queensland Government. The Trust is within the portfolio of the Department of Environment and Science.

Transactions with People/Entities Related to KMP

A small business owned by a close family member of a KMP was contracted to install theming and decorations for the Trust. The amount paid was \$19,111 (2018: \$8,540), and the terms and conditions of the contract are the standard terms and conditions for procurement of such services.

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.

E10 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES (continued)**E10-4 Related Party Transactions (continued)****Transactions with other Queensland Government Controlled Entities**

The Trust receives appropriation funding from Arts Queensland in cash as detailed in note B1-2.

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

The Trust provides services in the normal course of business and under normal contract terms but charged 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 \$1,135,152 (2018: \$1,462,177).

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

The Trust has insurance policies with the Queensland Government Insurance Fund (Note B2-3).

The Trust received funding of \$2,044,661 (2018: \$569,096) from Queensland Government agencies and departments for specific Arts projects.

Service Concession Arrangements

The Trust leases the building from Arts Queensland. Under the terms of the lease, the Trust recognises a non-cash grant of the value of the lease and recognises rental expense below fair value as disclosed in notes B1-2 and B2-2.

SECTION 6

NOTES ABOUT OUR PERFORMANCE COMPARED TO BUDGET

F1 BUDGETARY REPORTING DISCLOSURES

This section contains explanations of major variances between the Trust's actual 2018-2019 financial results and the original budget presented to the Parliament.

F1-1 Explanation of Major Variances – Statement of Comprehensive Income

<i>Revenue from service activities:</i>	An increase in Revenue from service activities primarily due to the presentation of a major co-production that was not budgeted.
<i>Grants and Contributions:</i>	An increase in Grants and Contributions primarily due to funding for the specific project and capital acquisitions and donations received for the new theatre at QPAC.
<i>Other Revenue:</i>	A decrease in Other Revenue primarily due to investments in touring productions and sponsorships not eventuating as expected.
<i>Employee Expenses:</i>	An increase in Employee Expenses primarily due to direct casual employment in production, visitor and hospitality services, engagement of First Nations employees to deliver QPAC's Indigenous programming, and specific technical skills to support delivery of the new theatre at QPAC.
<i>Supplies and Services:</i>	An increase in Supplies and Services primarily due to the presentation of a major co-production that was not budgeted.
<i>Depreciation:</i>	An increase in Depreciation primarily due to higher than planned capital expenditure.
<i>Other Expenses:</i>	An increase in Other Expenses primarily due to higher insurance, bank charges and other administrative costs than budgeted.

F1-2 Explanation of Major Variances – Statement of Financial Position

<i>Cash:</i>	An increase in Cash due to recovery of Receivables from major musicals, timing of payment of payables, donations, and receipt of State Government funding for capital projects.
<i>Receivables:</i>	An increase in Receivables primarily due to the timing of finalisation of the major international series event.
<i>Other Assets:</i>	An increase in Other Assets primarily due to recognition of prepayments and food and beverage stock for the major international series event.
<i>Payables:</i>	An increase in Payables primarily due to expenses relating to the major international series event.
<i>Accrued Employee Benefits:</i>	An increase in Accrued Employee Benefits primarily due to increased direct casual employment in production, visitor and hospitality services, engagement of First Nations employees to deliver the Trust's Indigenous programming, and specific technical skills to support delivery of the new theatre at QPAC.
<i>Reserves:</i>	An increase in reserves due to high operating result.

F1-3 Explanation of Major Variances – Statement of Cash Flows

<i>Inflows:</i>	An increase in Inflows primarily due to increased revenue as a result of presentation of a major co-production that was not budgeted and increased State Government funding for capital projects and donations received for the new theatre at QPAC.
<i>Outflows:</i>	An increase in Outflows primarily due to payment of supplies and services of a major co-production that was not budgeted and payment for higher capital projects than planned.

CERTIFICATE OF THE QUEENSLAND PERFORMING ARTS TRUST*For the Year Ended 30 June 2019*

These general-purpose Financial Statements have been prepared pursuant to section 62 (1) of the Financial Accountability Act 2009 (the Act), relevant sections of the Financial and Performance Management Standard 2009, the Australian Charities and Not-for-profits Commission Act 2012 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 2019 and of the financial position as at the end of that year.

We acknowledge responsibility under s.8 and s.15 of the Financial and Performance Management Standard 2009 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
Director



Kieron Roost CPA
Executive Director –
Business Performance

16 August 2019

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 2019, 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 2009, 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 2019, 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 of Queensland 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 APE 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 of Queensland Auditing Standards*.

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

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 2009, 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, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board'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.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

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



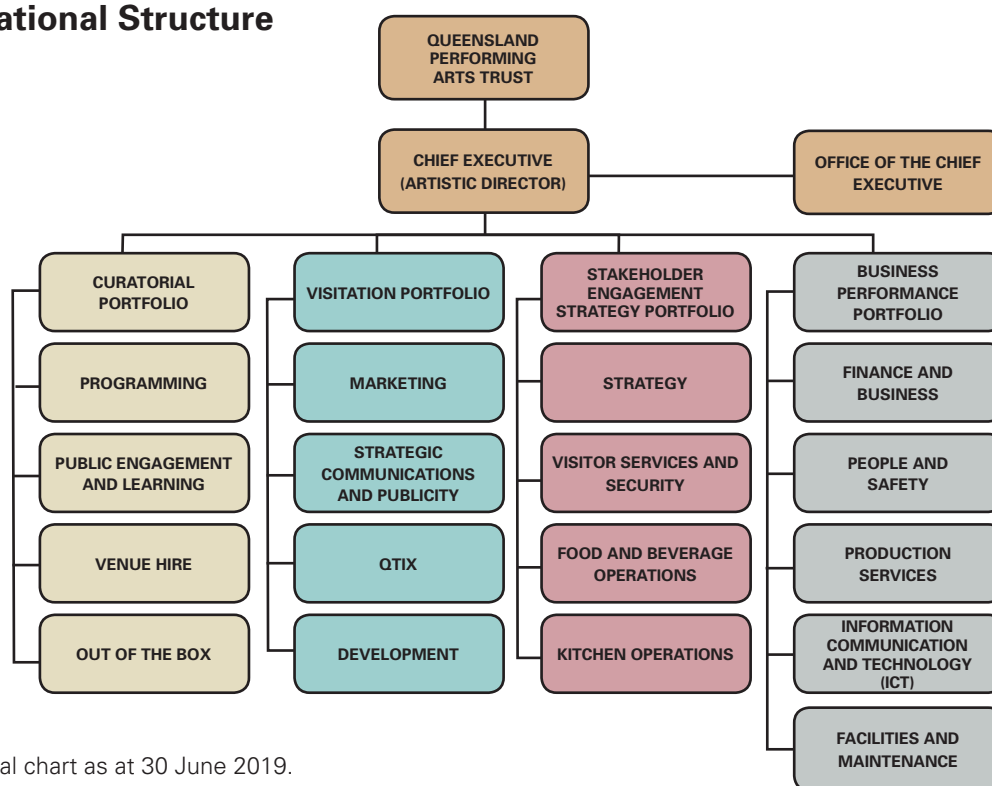
Melissa Fletcher
as delegate of the Auditor-General

21 August 2019

Queensland Audit Office
Brisbane

GOVERNANCE

Organisational Structure



Organisational chart as at 30 June 2019.

Queensland Performing Arts Trust

The Queensland Performing Arts Trust Act 1977 provides that the Trust 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 Trust'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.

The Trust met six times during the year, at ordinary meetings. There were no special meetings during the year.

Members of the Trust during the year were:

Name	Board		Risk Management and Audit Committee	
	Eligible to attend	Attended	Eligible to attend	Attended
Professor Peter Coaldrake AO <i>Chair</i>	6	6	6	6
Ms Leigh Tabrett PSM <i>Deputy Chair</i>	6	6	6	5
Mr Dare Power	6	6	0	0
Ms Susan Rix AM	6	6	6	6
Ms Leanne de Souza	6	6	0	0

Professor Peter Coaldrake AO, Chair

Emeritus Professor Peter Coaldrake AO, is the Chair of the Queensland Performing Arts Trust. He is currently also the Chair of Jobs Queensland, an external member of the Council of The University of Newcastle, and a Board member of the Queensland Community Foundation (QCF). He served for nearly 15 years as Vice-Chancellor of Queensland University of Technology (QUT), completing his term in December 2017.

Professor Coaldrake served as Chair of the peak body representing Australian universities, Universities Australia (UA), between 2009 and 2011, and chaired the OECD's higher education policy governing group, IMHE, from 2011 to 2015. He was Chair of the Queensland Heritage Council from 2011 to 2016. He was named a 'Queensland Great' in 2017 and received the Asia Pacific Leadership Award by the Council for Advancement and Support of Education (CASE) in 2016.

A dual Fulbright scholar, Professor Coaldrake has authored and edited a number of books and monographs including, most recently, *Raising the Stakes: Gambling with the Future of Universities* (co-authored with Dr Lawrence Stedman, UQP, 2013; 2nd ed. 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 the Premier and Cabinet. She has served on numerous state and national policy and coordinating bodies and government owned companies, 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, business coach and consultant in the arts and community services sectors. She is Chair of Bleached Arts Ltd, which delivers the Bleach Festival on the Gold Coast, a Director of the Community Services Industry Alliance and of DVConnect. As Chair of Of One Mind Ltd, she is working to develop the WOW (Women of the World) Festival in Australia and the Pacific, including the staging of WOW as part of the cultural festival for the 2018 Commonwealth Games and over the next three years.

Dare Power

Dare Power is Group Administration Manager for his family business BMD, one of Australia's largest privately owned construction, consulting and urban development organisations.

In addition, Dare is one of the driving forces behind PowerArts, an arts investment and production vehicle

that works to facilitate live performing arts projects. For over 10 years, PowerArts has contributed to the Australian performing arts landscape through a mixture of direct investment, sponsorship and philanthropy.

Dare has served on the board of several arts organisations and is currently a Director of Queensland's premier contemporary dance company, Expressions Dance Company.

Dare 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.

Susan Rix AM

Susan Rix is an accomplished business leader with over 35 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, Susan is 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. She is also a Fellow of the Chartered Accountants, Australia and New Zealand and a Fellow of the Australian Institute of Chartered Accountants.

Leanne de Souza

Leanne de Souza is a highly respected veteran of the Australian music industry. With 25 years' experience working in artist management and events, she has represented various high profile, award winning, commercially successful and critically acclaimed contemporary musicians.

A long-standing champion and advocate for contemporary music, Leanne was a foundation Board Member of the Queensland Music Network (Q Music), held the Executive Director role for the Association of Artist Managers (AAM) and is currently a Director of Nightlife Music Pty Ltd.

As an entrepreneur, Leanne is the founder and director of the Rock and Roll Writers Festival. As a sought-after consultant and facilitator, she has worked extensively across art forms and with Aboriginal and Torres Strait Islander peoples nationally. As a lecturer, she has worked for Griffith University, Queensland Conservatorium and TAFE Queensland.

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 Trust. 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

The Chief Executive is responsible for the provision of strong and effective leadership of QPAT and implementation of the Trust'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 the company's vision, mission, strategies and objectives and to promote revenue, profitability and growth as an organisation.

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 the Trust'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. The Executive Director – Visitation also oversees QPAC's development unit, which is responsible for fostering corporate partnerships, philanthropy and sponsorships.

Executive Director – Curatorial: Bill Jessop (acting)

The Executive Director – Curatorial is responsible for creating, managing and implementing the curatorial strategies of QPAC through commercial hiring and producing programs, in addition to programs that fulfil QPAC's commitment to social justice, education, research, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. The Executive Director – Curatorial sources new opportunities for commercial productions to develop and expand QPAC's capability as a commercial producer.

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.

Risk Management and Audit Committee

QPAC maintains a detailed Risk Management Plan consistent with the requirements of sections 15(1)(h) and 28 of the *Financial and Performance Management Standard 2009*.

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 are 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.

QPAC occupies a building owned and maintained by Arts Queensland. QPAC 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 QPAC's internal control, audit and risk management functions.

The 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.

The RMAC is Chaired by Ms Susan Rix AM and also comprises Professor Peter Coaldrake AO and Ms Leigh Tabrett PSM. 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.

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

The RMAC considered the financial statements for the year ending 30 June 2019. The RMAC also considered the external audit report on the financial statements and noted the audit recommendations and management responses.

Public Sector Ethics

The Chair and members of the Trust, the Director 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 their corresponding 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 2018-2022 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*.

Risk Management and Accountability

Internal Audit

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

QPAC's Risk Management and Audit Committee Charter was updated and approved on 20 February 2017.

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.

QPAC'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 QPAC's risk management, governance and internal control processes are operating effectively.

In 2018-2019, QPAC completed audits of QTIX/ENTA, Corporate Credit Card, Trust Account and the Gifts and Benefits Register.

External Scrutiny

QPAC was not subject to any external audits and reviews during the financial year (other than the audit report on the financial statements).

Information Systems and Recordkeeping

QPAC 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 QPAC's Record Management system (HP Content Manager 9). Physical records are maintained offsite at a secure document facility while the main corporate digital records are maintained in HP Content Manager onsite. Where appropriate, staff will use other corporate electronic databases to store and manage information. QPAC'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 QPAC General Retention and Disposal Schedule. QPAC'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. QPAC receives the appropriate Certificate of Destruction for each disposal request.

With the transition from paper to digital records, QPAC 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 offsite.

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

We have upgraded our recordkeeping system from Records Manager 8 to the latest available version of Content Manager 9.

HUMAN RESOURCES

Strategic Workforce Planning and Performance

As at 30 June 2019, QPAC's workforce was constituted of 331 full time equivalent staff. The permanent attrition rate during the year was 7.02 per cent and the permanent retention rate was 92.98 per cent.

Human Resources

QPAC recorded 100 per cent compliance with the Enterprise Bargaining Agreement. During this period, QPAC's 2018 Enterprise Bargaining Agreement was approved by the Fair Work Commission on 6 March 2019. Nil hours were lost to industrial disputation during this process. QPAC's Joint Consultative Committee continues to play a vital role by ensuring that employee representatives have the 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' contribution and commitment. The program welcomed three new members in the 2018-2019 financial year and now has a total membership of 24.

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 here, QPAC conducted an Employee Engagement Survey in 2018. 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 will be 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 the Program is to recognise and reward QPAC staff (as individuals or teams) who deliver over and 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.

In 2018-2019, 73 employees received Quarterly Nominations from their managers and peers across three award categories (Individual Excellence Award, Outstanding Service Award and Behind the Scenes Achievement Award), 366 employees were nominated for On the Spot Rewards and 282 employees were nominated for a Team Award. In December 2018, Roger Leong (Senior Web Developer/Programmer) was announced as QPAC's Employee of the Year and was awarded the annual 'Living the Values' Award.

Wellbeing

In 2018-2019, QPAC introduced Fitness Passport, a program that gives staff access to over 275 pools and gyms in Queensland and northern New South Wales for a low membership fee. Since implementing this program, 28 staff members have joined with some also signing their families up to the program.

QPAC Gives Back has continued to support charities throughout 2018-2019, organising donations and events for Share the Dignity, Smith Family, Actors Benevolent Fund, Queensland Drought Appeal and Aussie Farmers Foundation. QPAC continues to donate excess food to Australia's leading food rescue organisation, OzHarvest, a national program that collects quality excess food from commercial outlets and delivers it directly to more than 1,000 charities around Australia.

Now in its fifteenth year, QPAC's Wellness Program has four elements: move, nourish, mind and support. It continues to grow and have a positive impact on employees with programs offered such as Mental Health Awareness Week, R U OK Day, Staff Massages, Superannuation and Financial Health Checks, Pilates sessions and yoga classes.

All employees have access to the Employee Assistance Program, a confidential counselling service.

Learning and Development

QPAC's Learning and Development Framework continued to expand in 2018-2019, demonstrating QPAC's commitment to a working environment which enables staff to develop their skills, knowledge and effectiveness within QPAC and to promote improved performance in support of QPAC's goals and priorities.

To support current and emerging leaders to transition to a more complex leadership role, the QPAC Leadership Roadmap was introduced. This roadmap describes key leadership competencies at the four different levels of leadership and opportunities for development. It is based on the 70:20:10 model, where 70% of learning

takes place in the workplace, 20% through social activities and 10% through formal learning. To support the formal learning component, QPAC introduced a Leadership Development Framework for emerging and existing leaders. For the first two levels of leadership, two programs were rolled out to all emerging and current leaders at QPAC. Using a blended approach, including classroom sessions, online learning modules, videos, self-assessments and access to regularly refreshed, research-based content and thought leadership.

In addition to these two programs and for the third level of leadership, a 12-month program was developed in collaboration with QPAC's Scholar in Residence. The curriculum of all three programs focuses on enhancing the participants' capacities as leaders, based on best practice in current leadership theory. A program for the Executive Leadership team is currently being finalised.

QPAC's Learning Management System (LMS), a web-based organisational learning centre, is now embedded in QPAC's learning culture and continues to support the new three-stage employee induction program and the delivery of specific compliance training including yearly refreshers. All QPAC employees have direct access to a library of more than 200 professional development courses on the LMS. Topic areas such as business, communications, leadership and management, sales, customer service and various Microsoft applications are available for self-enrolment.

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

QPAC continues to acknowledge the value of engaging with schools and tertiary institutions by providing work experience and industry placements. Throughout 2018-2019, QPAC hosted 12 work experience students across all three disciplines of the production services unit (lighting, staging and audio/visual). QPAC also hosted 10 internship students in the areas of publicity, finance, programming, functions, marketing, production services and human resources.

QPAC continues to liaise with key industry representatives regarding the identified skills gap and technical training framework for the live performance industry. As Queensland's leading centre for live performance, this framework is an important part of ensuring the sustainable future of the live performance industry in Queensland. Through this consultation process various skill sets from the Creative Arts and

Training Culture Package have been added to the Queensland Training Subsidies List. This list identifies the qualifications and skill sets that attract a government subsidy under the Annual VET Investment Plan.

Work Health and Safety

In 2018-2019, QPAC re-formed the QPAC Health and Safety Committee which included holding employee elections for the Health and Safety Representative and Deputy Health and Safety Representative in their respective Work Groups. The elected Health and Safety Representatives have received the required Legislative Health and Safety Representative training. Actions and opportunities for improvement from internal safety audits and risk assessment reports are continually being worked through and completed.

To enhance and support the safety culture at QPAC, the safety unit has focused on employee incident reporting, near miss reporting and hazard reporting. This has allowed QPAC to be proactive in reducing employee injuries and incidents and embedding a safety culture where staff feel confident to report incidents. This campaign has led to increased reporting of Incidents and Near Misses.

Safe Work Month was held again in 2018-2019 and the theme this year was 'A moment is all it takes'. Employees participated in the inaugural Tidy Workspace competition which focused on workspace ergonomics, electrical compliance and housekeeping. The winners of the competition received a wall plaque displayed in the Green Room. In addition to the team competition, employees conducted hazard hunts in their work area.

This year also saw the safety unit invest in safety equipment which included tool lanyards, working at heights bunting, chemical cabinets and self-contained breathing welding helmet. The Cremorne Theatre also received a new Working at Heights static line which has allowed employees to traverse, install and focus lighting in the Cremorne Theatre Lighting Grid to minimise the risk of falling.

Disclosure of Additional Information

QPAC 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
Annual VET Investment Plan	Queensland Government's plan for investment in Vocational Educational and Training.
Act	<i>Queensland Performing Arts Trust Act 1977.</i>
Benefactors	Individuals or groups of individuals who have made a financial commitment to QPAC
Board	Board appointed under the <i>Queensland Performing Arts Trust Act 1977.</i>
Chief Executive	QPAC's Chief Executive appointed by the Governor in Council as the Director of the Queensland Performing Arts Trust under the <i>Queensland Performing Arts Trust Act 1977.</i>
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.
Cultural Centre	The area of South Bank where several Queensland Government's arts statutory bodies (QPAC, Queensland Art Gallery Gallery of Modern Art, Queensland Museum and State Library of Queensland) are co-located.
Development Partners	Businesses, companies or organisations that have made a commercial financial commitment to QPAC in return for specific benefits.
Donors	Individuals who have made a financial contribution to QPAC.
Dynamic Pricing	The practice of varying the price for a product or service to reflect changing market conditions, in particular in times of greater demand.
ENTA	The ticketing software used by QTIX.
<i>Green Jam</i>	A series of free, outdoor concerts curated by QPAC. Taking place on the Melbourne Street Green, <i>Green Jam</i> showcases local students, young, emerging and early career artists across a range of genres and performance styles.
Green Room	A lounge area where performers can relax before or after a performance.
Helpmann Awards	The Helpmann Awards are administered by Live Performance Australia and recognise achievements in live performance from around Australia.
Kadenze	Kadenze is an online learning platform open to students from around the world. Kadenze offers courses and coursework on a range of topics. In 2018, QPAC, Sydney Opera House and Lincoln Center (New York) collaborated on a course offering for teaching artists.
Live Performance Australia	The peak industry body for the Australian live performance industry.
LMS	Learning Management System.
Lyric Theatre	QPAC's 2,000 seat theatre used primarily for musicals, operas and large dance and music productions.

New theatre at QPAC	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 by the end of 2022. The project is managed by Queensland's Department of Housing and Public Works (DHPW) Project Delivery Team on behalf of QPAC and Arts Queensland.
Out of the Box Festival	QPAC's biennial festival for children aged 8 years and under. Produced and presented by QPAC, Out of the Box Festival is one of QPAC's signature programming initiatives.
Playhouse	QPAC's 850 seat theatre used primarily for theatre, classical and contemporary dance.
Playhouse Green	Currently open space on the Grey Street side of the Playhouse which will be used to construct a new theatre at QPAC in coming years.
Public engagement and learning	The public engagement and learning team supports QPAC's goals and strategic direction by contributing to and creating experiences to support audiences and communities to find meaning in the performing arts.
QPAC	Queensland Performing Arts Centre (the organisation).
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.
QPAC Members	Financial members of QPAC Membership program.
QPAT	Queensland Performing Arts Trust.
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.
Risk Management and Audit Committee	A committee of the Board responsible for assisting the Board in overseeing QPAC'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.
Service Delivery Statements	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.
The Creatory	The Creatory is a digital online portal housed on the QPAC website offering visitors in depth content designed to deepen audience engagement with QPAC's program.
Trust	Queensland Performing Arts Trust, the Queensland Government statutory body responsible for QPAC, established under the <i>Queensland Performing Arts Trust Act 1977</i> .
White Label	Tickets sold by QTIX under the brand of another arts organisation.

COMPLIANCE CHECKLIST

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 2 66-67 ARRs – section 9.2 Inside back cover Queensland Government Language Services Policy ARRs – section 9.3 Inside back cover Copyright Act 1968 ARRs – section 9.4 Inside back cover QGEA – Information Licensing ARRs – section 9.5 Inside back cover
General information	<ul style="list-style-type: none"> Introductory Information Machinery of Government changes Agency role and main functions Operating environment 	ARRs – section 10.1 3 ARRs – section 10.2, 31 and 32 n/a ARRs – section 10.2 3, 4, Inside back cover ARRs – section 10.3 3, 5, 8, 57
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community Other whole-of-government plans / specific initiatives Agency objectives and performance indicators Agency service areas and service standards 	ARRs – section 11.1 7 ARRs – section 11.2 n/a ARRs – section 11.3 9-19 ARRs – section 11.4 3, 9, 11, 14, 18
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1 20-21
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure Executive management Government bodies (statutory bodies and other entities) <i>Public Sector Ethics Act 1994</i> Queensland public service values 	ARRs – section 13.1 59 ARRs – section 13.2 59,61 ARRs – section 13.3 n/a Public Sector Ethics Act 1994 ARRs – section 13.4 62 ARRs – section 13.5 n/a

Governance – risk management and accountability	• Risk management	ARRs – section 14.1	62
	• Audit committee	ARRs – section 14.2	62
	• Internal audit	ARRs – section 14.3	62
	• External scrutiny	ARRs – section 14.4	63
	• Information systems and recordkeeping	ARRs – section 14.5	63
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	64
	• 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	65
	• Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	n/a
Financial statements	• Certification of financial statements	FAA – section 62	56
		FPMS – sections 42, 43 and 50	
		ARRs – section 17.1	
	• Independent Auditor's Report	FAA – section 62	57-58
		FPMS – section 50	
		ARRs – section 17.2	

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2009*

ARRs *Annual report requirements for Queensland Government agencies*

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