

Australasian Dance Collective

FINANCIAL STATEMENTS

AUSTRALASIAN DANCE COLLECTIVE LIMITED
ABN 12 010 545 187

FOR THE YEAR ENDED 31 DECEMBER 2020

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AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 187

DIRECTORS' REPORT | FOR THE YEAR ENDED 31 DECEMBER 2020

Your Directors present their report on Australasian Dance Collective Limited (the company) for the financial year ended 31 December 2020.

Directors

The names of the directors in office at any time during, or since the end of the year are:

- Marian Gibney (Chairperson)
- Tony Denholder (Deputy Chairperson)
- Bradley Chatfield
- Amy Hollingsworth
- Roxanne Hopkins
- Dare Power
- Alan Scott
- Lucy Bretherton (Appointed 24 February 2021)
- Julie Garner (Appointed 31 March 2021)

The directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

Dare Power has been appointed company secretary.

Operating results

Australasian Dance Collective Limited reports a surplus of \$258,515 for the year ended 31 December 2020 (2019: \$92,663). That result includes government pandemic support (JobKeeper, Boosting Cash Flows and rent waiver).

The company's turnover for the year reflects the impact of the COVID-19 pandemic with a significant reduction in performance income, cash and in-kind sponsorship offset by a large increase in philanthropic support, for which the company is most grateful, and the benefit of JobKeeper and Boosting Cash Flows.

Subsidies received under the Federal Government's Boosting Cash Flows and JobKeeper schemes of \$544,900 enabled the retention of the company's core arts workers and the dance ensemble throughout the year. This allowed the company to adapt and direct other funds to creative development projects supporting the engagement of creatives, artists and other workers in the local arts sector. These projects provide a body of work for delivery in future years, and the 2020 surplus has provided the company with additional financial reserves to sustain employing staff and engaging other creatives in performances in 2021, despite what is expected to continue to be a tough environment for the arts.

Principal Activities

The vision and purpose of the company is to inspire, connect, educate and empower through sharing of creative freedom and artistic fire.

Australasian Dance Collective's overarching goals are:

- Invest in Art – Cultivate excellence in our artform
- Invest in People – Enable our artists, collaborators, participants and facilitators to flourish, enriching our audiences
- Reimagine our Spaces and Mediums – redefine our boundaries and how we connect with audiences
- Build Our Creative Civic Mission – Demonstrate how art is for all – empowering and enriching the lives of our community
- Cultivate Imaginative Partnerships – Use creativity and critical thinking to drive new partnerships and enterprises to support our art

Review of operations

Under the leadership of Artistic Director, Amy Hollingsworth, and the General Manager, Nick Engler, the company successfully managed the cancellation of major performances and adaption of programs given the pandemic environment.

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Review of operations - continued

Significant work was undertaken by management in learning and keeping abreast of COVID-19 measures and regulations, and, working with the arts industry, in dealing with the impact on operations and public performances. Changes were made to enable staff to work remotely and, importantly, to ensure the safety and wellbeing of the team and, in particular, the dance ensemble. A significant communications effort ensured the company was able to keep stakeholders and patrons informed in a clear and consistent manner and maintain the company's profile with audiences.

The Board acknowledges the great effort of the Artistic Director and General Manager throughout the year in managing the company successfully through the changes and challenges of operating in the pandemic. They were well supported by a very adaptable and committed company team.

Three major performance seasons planned for the year were necessarily cancelled. In addition, the Brisbane Festival project planned for the Brisbane Powerhouse did not proceed. The hole left in the artistic program was effectively replaced by major creative development projects including collaborations with respected creatives and artists and producing digital programs and works.

Despite the challenges, 2020 was a year of creativity, growth, investment and evolution for the company. Major dance work and programs for the year included:

Liminal – launching the company's plans for its' future Digital Suite program bringing dance to the big screen, *Liminal* previewed to a select audience in early December at the Dendy Cinemas Portside. *Liminal* was created by Cass Mortimer Eipper featuring the dance ensemble and filmed in Brisbane at The Old Museum.

Aftermath – a bold full-length work recently premiered at the Brisbane Powerhouse, *Aftermath* was co-created in 2020 by ADC company artist & choreographer Jack Lister and Artistic Director, Amy Hollingsworth, with the acclaimed producer, vocalist and songwriter behind The Kite String Tangle, Danny Harley.

Echo. In late August, our Youth Ensemble were the first performers back on QPAC's Cremorne Theatre stage after CoVid-19 closure, with three covid-safe performances of *Echo*. *Echo* premiered two works from Youth Ensemble Director, Riannon McLean, and local independent dancer and choreographer, Michael Smith. *Echo* also featured three-minute solo films produced and directed by each of the 30 Youth Ensemble members.

Arc – *Arc* was created by Amy Hollingsworth for Brisbane Festival with 38 dancers taking to South Bank's River Quay Green for two performances in September. Prompting standing ovations, this deeply moving piece saw the company performing alongside its 30-strong Youth Ensemble with an evocative new score from award-winning composer, Wil Hughes.

Still Life – *Still Life* was commissioned as a work to be delivered in multiple iterations - as a stage work (to be presented in 2021), as a site-specific touring piece, and as a stand-alone film. Jack Lister's stunning choreography in *Still Life* was digitally transformed and brought to life in collaboration with award-winning director, Ryan Renshaw of Kiosk Films.

Youth Ensemble – Despite the impact of the pandemic, under the direction of Riannon McLean, the Youth Ensemble program was adapted and continued to operate across 27 of the 30 planned weeks with 30 students. The resilience of the students through the year was evident by their passion and commitment to dance and the ensemble.

Sector Development – With some adaption, the company was able to maintain a significant development program over the year including:

- Contemporary Dance Intensive ("CDI") program;
- In-school workshops with quality resource material to assist curriculum-based assignments;
- In studio secondment placements;
- Professional Development programs for teachers ("Focus"); and
- Community dance classes under the new program Collectively Connected

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DIRECTORS' REPORT | FOR THE YEAR ENDED 31 DECEMBER 2020

Significant changes in state of affairs

Significant changes in the state of affairs resulted from the CoVid-19 pandemic which significantly affected the company's ability to perform and earn performance income. This was offset by the Federal Government support under JobKeeper and Boosting Cash Flows.

There were no other significant changes in the state of affairs of the company during the financial year.

Future developments & Post-Reporting Date Events

Lucy Bretherton was appointed a director of the company on 24th February 2021.

Julie Garner was appointed a director of the company on 31st March 2021.

The company remains dependent on the Queensland Government, through Arts Queensland, and the Federal Government, through the Australia Council, for substantial funding for its activities.

Arts Queensland has confirmed ongoing operational funding at the current level for the company in 2021 and the company has submitted an application for four-year funding with Arts Queensland for the period 2022-2025 (which was deferred from 2020). The company has also secured additional funding for 2021 under the Arts Queensland Sustain program established to support arts companies through the pandemic.

The company was not successful in obtaining, Australia Council four-year funding for the period 2021-2024, however Australia Council is providing transitional funding for 2021 representing 70% of the level of funding received in 2020.

Taking into account the company's current cash reserves and the above-mentioned government support for 2021, management and the board are confident with the proposed 2021 program – artistically and financially, assuming live performance is not curtailed during the year. The program can be adapted if circumstances require.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government, State Governments and other countries, such as lockdowns, maintaining social distancing requirements, quarantine, travel restrictions, and any economic stimulus that may be provided.

The company is currently working on the strategic plan for 2022-2025 and will continue to develop and implement strategies to ensure the ongoing sustainability of Australasian Dance Collective.

Apart from the above, no other matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Information on directors

Lucy Bretherton (BA/LLB University of Queensland, Grad Dip Legal Practice QUT)

Lucy practised law for more than 37 years, most recently with Ashurst (previously Blake Dawson). As one of Australia's leading native title lawyers for over 20 years, she negotiated and drafted landmark indigenous land use agreements between the State, traditional owner groups and resources companies and has been active in numerous aspects of indigenous culture. In the not-for-profit sector, in 2000-2001 Lucy was a member of the steering committee for the establishment of the Queensland Public Interest Clearing House (QPILCH), the peak body for the coordination of pro bono legal services in Queensland. She also sat on its management committee for many years and served as its president between 2013 and 2016, overseeing its re-branding to its current name, LawRight. Lucy was recently appointed to the Board on 24th February 2021 and is a member of the Fundraising Committee.

Bradley Chatfield

Bradley celebrates 30 years in the creative and performing arts industry, 21 years as a performing artist and 9 years as a rehearsal director, teacher, educator mentor and arts advisor; most recently in education as Head of Dance at ACPA. Bradley is highly acclaimed in the dance industry being a recipient of numerous awards and in 2009 was named in Sydney Morning Herald's Top 100 Most Influential People in Sydney. Bradley is currently Head of Contemporary Development at Transit Dance in Melbourne. Bradley was appointed to the company Board on 30th September 2019.

Information on directors - continued

Tony Denholder (LLB (QUT), Bachelor of Civil Laws (Oxford))

Tony is a partner with Ashurst Australia, having practiced as a lawyer since 1993. He is a member of the Queensland Law Society and is a Solicitor in the Supreme Court of Queensland, the High Court of Australia and the Supreme Court of Western Australia. Tony is a Board Member of the Queensland Symphony Orchestra and was appointed to the company's Board on 1st March 2005. Tony is currently Deputy Chair, Chair of the Fundraising Committee and a member of the Finance Audit and Risk Committee.

Julie Garner (GAICD, CA, AMIIA. BCom/BBus (Man) University of Queensland)

Julie has approximately 20 years' experience working in external/internal audit and risk management. Employed by Deloitte for over 11 years, Julie has external audit and consulting experience from large international and locally listed entities (Glencore, Anglo American plc, Downer EDI Limited) to large not for profit. Since leaving Deloitte, Julie has worked for a large Queensland not-for-profit specialising in enterprise risk management, financial reporting, board policy development and implementation, privacy compliance and internal controls. Julie has been a Chartered Accountant since 2005. Julie was appointed to the Board on 31st March 2021.

Marian Gibney (Member of Australian Institute of Company Directors. BA/LLB (Hons) University of Queensland)

Marian is an experienced legal executive having worked with companies including ANZ and MIM Holdings Ltd where she dealt with a diverse range of significant transactions and major operational events. In the not-for-profit sector, she has extensive experience as a board member in setting and reviewing organisational strategy, including fundraising and stakeholder engagement strategies, together with governance and monitoring organisational performance. Past board appointments include the National Museum of Australia, Queensland Art Gallery Foundation Board, University of Queensland Foundation Board and Tarong Energy Corporation. Marian was appointed to the company's Board in February 2015 and commenced her tenure as Chair in March 2015.

Roxanne Hopkins (Bachelor of Business, Management - Queensland University of Technology)

Roxanne is the Executive Director - Visitation (Marketing and Ticketing) at QPAC. Roxanne has extensive experience in marketing, ticketing, customer service, and fundraising. She has held senior management positions with South Bank Corporation, Youngcare, and Macquarie Leisure Operations Limited (Dreamworld and WhiteWater World), and Brisbane Marketing. Roxanne was appointed to the Board in October 2017 and is a member of the Finance Audit and Risk Committee and the Market Development Committee.

Amy Hollingsworth

Amy joined the company as Artistic Director in January 2019 and became a member of the Board in February 2019. With over 20 years' experience as a dancer, choreographer, director and industry advocate, as well as in film and dancer education, Amy is highly regarded for her passion and leadership within the Australian dance industry. Amy joined the company following 3 years as the Creative Associate and Ballet Mistress at Queensland Ballet where her talent as a curator and choreographer was particularly evident through the successful 2017 and 2018 *Bespoke* season.

Dare Power (Graduate Australian Institute of Company Directors; Master of Business Administration, Executive (EMBA), Australian Graduate School of Management; Master of Film and Television, Bond University; Bachelor of Arts (Hons), University of Queensland)

Dare currently holds the post of Group Administration Manager for his family business – urban development and civil construction company BMD – where he has key responsibilities including business systems, information technology and corporate administration. He is also General Manager of PowerArts, a Performing Arts production and investment company with altruistic goals. Dare has several years' experience as a director in the Not-For-Profit Arts sector having served previously on the boards of QPIX and the Queensland Arts Council. Currently, Dare sits on the QPAC board of trustees. Dare was appointed to the Board in November 2016, and chairs the Market Development Committee.

Information on directors - continued

Alan Scott (Bachelor of Business – Accountancy, ICAA Professional Year Graduate)

Alan Scott is Principal of the business advisory firm Asmosys. Alan has over 30 years' experience in business consulting with specialties in business strategy, business models, change management, facilitation and risk management. Alan commenced Asmosys 7 years ago after a 28-year career with Deloitte. As a Deloitte partner for 8 years, Alan managed Queensland's Deloitte Private practice building on over 10 years in the Deloitte Consulting group. Throughout his career Alan has worked with high-profile clients such as Brambles, Woolworths, NSW State Rail and Telstra. Alan has also advised many clients in the arts or creative sectors including QPAC, Brisbane Powerhouse, La Boite and AGDA. Alan currently serves on the Board of Ronald McDonald House Charities SEQ and Chairs the Risk Committee in that board capacity. Alan joined the Board on 22 November 2018 and is a member of the Fundraising Committee.

Meetings of Directors

During the financial year, 12 meetings of Directors were held. Attendances were:

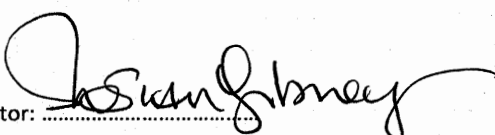
Director	Number eligible to attend	Number Attended
Lucy Bretherton	0	0
Bradley Chatfield	12	10
Tony Denholder	12	12
Julie Garner	0	0
Marian Gibney	12	12
Amy Hollingsworth	12	12
Roxanne Hopkins	12	10
Dare Power	12	10
Alan Scott	12	11

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 31 December 2020 the number of members was 21 (2019: 19).

Auditor's Independence Declaration

The copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out at page 7.

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

Director: 

MARIAN GIBNEY, CHAIR

Dated this 31 day of March, 2021

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE *AUSTRALIAN CHARITIES AND
NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF AUSTRALASIAN DANCE COLLECTIVE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- (a) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF BRISBANE AUDIT



LIAM MURPHY
PARTNER

DATED THIS 31ST DAY OF MARCH 2021

PKF Brisbane Audit ABN 33 873 151 348

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AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 187
STATEMENT OF COMPREHENSIVE INCOME | FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
Revenue			
Operating Revenue	2	1,513,971	1,946,024
Other Income	2	544,900	-
Expenditure			
Employee benefits expense		(1,162,668)	(886,687)
Depreciation expense	7	(17,791)	(12,374)
Lease amortisation	12	(58,078)	(44,034)
Marketing and promotion		(64,735)	(94,041)
Occupancy expense		(9,453)	(26,739)
Program artistic & technical fees		(245,620)	(233,139)
Travel & accommodation		(14,202)	(206,994)
Other expenses	3	(227,809)	(349,353)
Surplus before income tax		258,515	92,663
Income tax expense	1(a)	-	-
Surplus for the year		258,515	92,663
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		258,515	92,663
Surplus attributable to members of the entity		258,515	92,663
Total comprehensive income attributable to members of the entity		258,515	92,663

The accompanying notes form part of these financial statements.

AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 18
STATEMENT OF FINANCIAL POSITION | AS AT 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	644,204	503,906
Trade and other receivables	5	55,522	10,515
Other current assets	6	29,474	16,592
		<u>729,200</u>	<u>531,013</u>
NON-CURRENT ASSETS			
Plant and equipment	7	104,266	63,266
Right of Use assets	12	17,372	75,449
		<u>121,638</u>	<u>138,715</u>
TOTAL ASSETS		<u>850,838</u>	<u>669,728</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	101,619	58,028
Other current liabilities	9	152,848	222,459
Lease liability	12	16,835	59,134
Provisions	10	19,599	14,450
		<u>290,901</u>	<u>354,071</u>
NON-CURRENT LIABILITIES			
Lease liability	12	1,535	18,370
Provisions	10	3,864	1,264
		<u>5,399</u>	<u>19,634</u>
TOTAL LIABILITIES		<u>296,300</u>	<u>373,705</u>
NET ASSETS		<u>554,538</u>	<u>296,023</u>
EQUITY			
Retained Earnings		<u>554,538</u>	<u>296,023</u>
TOTAL EQUITY		<u>554,538</u>	<u>296,023</u>

The accompanying notes form part of these financial statements.

AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 187
STATEMENT OF CHANGES IN EQUITY | FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Retained Earnings	Total
		\$	\$
Balance at 1 January 2019		203,360	203,360
Comprehensive income			
Surplus for the year		92,663	92,663
Other comprehensive income		-	-
Total comprehensive income		92,663	92,663
Balance at 31 December 2019		296,023	296,023
Comprehensive income			
Surplus for the year		258,515	258,515
Other comprehensive income		-	-
Total comprehensive income		258,515	258,515
Balance at 31 December 2020		554,538	554,538

The accompanying notes form part of these financial statements.

AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 187
STATEMENT OF CASH FLOWS | FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants and subsidies receipts		1,430,352	1,047,899
Receipts from customers		337,011	551,070
Payments to suppliers and employees		(1,556,918)	(1,558,075)
Interest received		442	1,344
Net cash generated from operating activities	11	210,887	42,238
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(58,791)	(33,857)
Lease payments		(11,798)	(45,779)
Net cash used in investing activities		(70,589)	(79,636)
Net increase (decrease) in cash held		140,298	(37,398)
Cash and cash equivalents at beginning of the financial year		503,906	541,304
Cash and cash equivalents at end of the financial year	4 (a)	644,204	503,906

The accompanying notes form part of these financial statements.

NOTE 1: General Information and Basis of Preparation

The financial statements cover Australasian Dance Collective Limited ("the company") as an individual entity. Australasian Dance Collective Limited is an Australian Public Company limited by Guarantee, incorporated and domiciled in Australia.

The financial statements are a special purpose financial report that has been prepared in order to satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The directors have determined that the company is not a reporting entity because there are no users who are dependent on its general purpose financial reports. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

An assessment for each material accounting policy applied and disclosed in the financial statements has been made and Australasian Dance Collective Limited's special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

Basis of Preparation

These special purpose financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous period unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:-

The financial statements were issued on the date of signing the Directors' Declaration by the directors of the company.

Accounting Policies

(a) Income Tax

No provision for income tax has been raised, as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Plant and Equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Straight-line depreciation rate
Plant and equipment	4-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Plant and Equipment – continued

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Contributions are made by the entity to an employee superannuation fund and are recognised as expenses when incurred.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(e) Revenue

Revenue Recognition

The company applies AASB 15: *Revenue from Contracts with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058) in the recognition of revenue. The details of accounting policies under AASB 15 and AASB 1058 are as follows:

Operating grants, donations and bequests

When the company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions from owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital grant

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The company recognises income in profit or loss when or as the company satisfies its obligations under terms of the grant.

(e) Revenue - continued

In-Kind income

The company receives reciprocal contributions of income in the form of contracted services provided to them by other parties in exchange for contracted services rendered to them by the company. Income in respect of the services received is recognised at fair value on the date the services are carried out in the statement of comprehensive income, with a corresponding expense recognised at that date. No cash changes hands in respect of these transactions.

Contributed assets

The company may receive assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 18).

On initial recognition of an asset, the company recognises related amounts being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer.

The company recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amounts.

Interest income

Interest revenue is recognised using the effective interest rate method.

(f) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The company as lessee

If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. That is, the company recognises lease liabilities to make lease payments and right-of-use assets representing the rights to use the underlying assets.

However, all contracts that are classified as short-term leases (i.e., a lease with a lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate.

(h) Leases - continued

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the option; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary leases

For leases that have significantly below-market terms and conditions principally to enable the company to further its objectives (commonly known as peppercorn/concessionary leases), the company has adopted the temporary relief under AASB 2018-8 and measures the right-of-use assets at cost on initial recognition.

(i) Impairment of Assets

At the end of each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(k) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

(k) Critical Accounting Estimates and Judgments - continued

Key Judgements

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, audiences & participants, arts workers supply, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(l) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(m) Economic Dependence

Australasian Dance Collective Limited is dependent on the State Government's Arts Queensland for a significant amount of its revenue used to operate the business. In March 2020, with the impact of COVID-19, Arts Queensland announced the deferral of the 4-year operational funding application process (for 2021-2024) from 2020 to 2021.

At the same time Arts Queensland confirmed continued operational funding for the company for 2021. In February 2021, the company submitted an application for 4-year operational funding for the company from 2022-2025. The results of the application will not be known until later in 2021. At the date of this report the Board of Directors has no reason to believe Arts Queensland will not continue to support Australasian Dance Collective Limited.

	2020 \$	2019 \$
NOTE 2: REVENUE		
Operating activities		
Ticket Sales for self-promoted productions	7,335	90,873
Performance contracts	37,525	159,928
Sponsorship & partnerships - Cash	5,000	132,478
Sponsorship & partnerships - In-Kind	94,486	173,499
Philanthropy	200,102	43,965
Merchandising	1,917	2,101
Membership	129	103
Participation fees	100,705	94,056
Interest	442	1,344
General income	15,295	37,900
Public subsidies / grants – In-Kind	81,319	31,464
Public subsidies / grants - Cash	969,716	1,178,313
	1,513,971	1,946,024
Other income		
JobKeeper wage subsidies	444,900	-
Boosting Cash Flows	100,000	-
	544,900	-

NOTE 3: OTHER EXPENSES

Auditor's remuneration		
- auditing the financial statements	8,500	7,650
Production costs		
- venues	7,409	25,604
- sets and costumes	30,115	26,639
- other production costs	12,751	39,151
In-kind expenses – Production, marketing, & premises	125,951	204,963
Other miscellaneous expenses	43,083	45,346
Total other expenses	227,809	349,353

NOTE 4: CASH AND CASH EQUIVALENTS

CURRENT		
Cash at bank	644,204	503,906
	644,204	503,906

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	644,204	503,906
	644,204	503,906

	2020 \$	2019 \$
NOTE 5: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	622	10,515
JobKeeper Wages Subsidy	54,900	-
	55,522	10,515

NOTE 6: OTHER ASSETS

CURRENT		
Prepayments	29,474	16,592
	29,474	16,592

NOTE 7: PLANT AND EQUIPMENT

NON-CURRENT		
Plant and equipment		
At cost	166,009	108,654
Less accumulated depreciation	(61,743)	(45,388)
Total plant and equipment	104,266	63,266

(a) Movements in Carrying Amounts

	\$	\$
Plant & equipment		
Balance at the beginning of the year	63,266	41,783
Additions	58,791	33,857
Disposals / Assets written off	-	(2,690)
Depreciation expense	(17,791)	(9,684)
Carrying amount at end of year	104,266	63,266

NOTE 8: TRADE AND OTHER PAYABLES

CURRENT		
Trade payables	28,227	29,877
GST payable	5,794	611
Sundry payables	67,598	27,540
	101,619	58,028

	2020 \$	2019 \$
NOTE 9: OTHER LIABILITIES		
CURRENT		
Grants received in advance	98,682	183,788
Income in advance	54,166	38,671
	152,848	222,459

NOTE 10: PROVISIONS

CURRENT		
Provision for annual leave	19,599	14,450
Provision for long service leave	-	-
	19,599	14,450
NON-CURRENT		
Provision for long service leave	3,864	1,264

NOTE 11: CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Surplus/(Deficit) after Income Tax

Surplus/(deficit) after income tax	258,515	92,663
Depreciation	17,791	12,374
Lease amortization and interest	60,596	47,834
Lease payments waived	(49,855)	-
	287,047	152,871
Changes in assets and liabilities		
(Increase)/decrease in receivables and other receivables	(52,063)	(13,716)
(Decrease)/increase in trade and other payables	37,765	38,099
(Decrease)/increase in other liabilities	(69,611)	(133,682)
(Decrease)/increase in provisions	7,749	(1,334)
	210,887	42,238

Non-cash transactions

During the financial year, in-kind revenue and in-kind expenses have been included within income and expenditure in respect of 'barter' contractual arrangements, refer to notes 2 and 3. These transactions are not reflected in the statement of cash flows.

NOTE 12: RIGHT-OF-USE ASSETS & LEASE LIABILITY

In accordance with AASB 16 – Leases, the company recognises its outstanding lease commitments as lease liabilities, and the corresponding right-of-use assets, in the statement of financial position.

The company has identified and accounted for two leases being the exclusive use of the company's premises (commenced on 1 April 2019 and expires on 31 March 2021) and the office photocopier (commenced on 1 October 2017 and expires on 30 September 2022).

An incremental borrowing rate of 5% has been used to determine the net present value of outstanding lease payments to account for the lease liability and inherent interest expense.

The Right-of-Use Assets are amortised on a straight-line basis over the term of the lease.

NOTE 12: RIGHT-OF-USE ASSETS & LEASE LIABILITY - continued

	2020	2019
	\$	\$
Right-of-use Assets		
Right-of-use assets	119,483	119,483
Accumulated Amortisation	(102,111)	(44,034)
	17,372	75,449
 Movement in carrying amounts:		
Opening balance	75,449	7,130
Addition to right-of-use asset	-	112,353
Amortisation	(58,077)	(44,034)
Closing balance at end of year	17,372	75,449
 Lease Liability		
Current	16,835	59,134
Non-Current	1,535	18,370
	18,370	77,504

NOTE 13: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the articles of association state that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 31 December 2020 the number of members was 21 (2019: 19).

NOTE 14: CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by the company in relation to 2020 (2019: nil).

NOTE 15: POST-REPORTING DATE EVENTS

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government State Governments and other countries, such as lockdowns, maintaining social distancing requirements, quarantine, travel restrictions, and any economic stimulus that may be provided.

Apart from the above, no other matters or circumstances have arisen since the end of the financial year, which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

NOTE 16: COMPANY DETAILS

The registered office and principal place of business of the company is:

Australasian Dance Collective Limited
 Level 3, Judith Wright Centre of Contemporary Art
 420 Brunswick Street FORTITUDE VALLEY QLD 4006

AUSTRALASIAN DANCE COLLECTIVE LIMITED | ABN 12 010 545 187
DIRECTORS' DECLARATION | FOR THE YEAR ENDED 31 DECEMBER 2020

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 20 satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* including:
 - (a) complying with Australian Accounting Standards as described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) giving a true and fair view of the financial position of the company as at 31 December 2020 and of its performance for the year ended on that date.
2. Having regard to those matters referred to in Note 1(m), in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: 

MARIAN GIBNEY, CHAIR

Dated this 31 day of March 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALASIAN DANCE COLLECTIVE LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Australasian Dance Collective Limited ("the Company"), which comprises the statement of financial positions as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Australasian Dance Collective Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Directors' Responsibilities for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the member. The directors' responsibilities also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

PKF Brisbane Audit ABN 33 873 151 348

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INDEPENDENT AUDITOR'S REPORT - continued

TO THE MEMBERS OF AUSTRALASIAN DANCE COLLECTIVE LIMITED

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of our audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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, to the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company.
- Conclude on the appropriateness of the Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we concluded that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT - continued

TO THE MEMBERS OF AUSTRALASIAN DANCE COLLECTIVE LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PKF BRISBANE AUDIT



LIAM MURPHY
PARTNER

DATED THIS 31ST DAY OF MARCH 2021