Australasian Dance Collective

AUSTRALASIAN DANCE COLLECTIVE LIMITED

ABN 12 010 545 187

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CONTENTS

Your Directors present their report on Australasian Dance Collective Limited (the company) for the financial year ended 31 December 2021.

Directors

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

- Marian Gibney (Chair)
- Alan Scott (Deputy Chair from 1 December 2021)
- Lucy Bretherton *(Appointed 24 February 2021)*
- Bradley Chatfield
- Tony Denholder (Deputy Chair to 1 December 2021)
- Julie Garner *(Appointed 31 March 2021)*
- Amy Hollingsworth
- Roxanne Hopkins *(Resigned by rotation 12 May 2021)*
- Dare Power

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

Company Secretary

Dare Power has been appointed company secretary.

Operating Results

Australasian Dance Collective Limited reports a surplus of $24,964 for the year ended 31 December 2021 (2020: $258,515). This result includes government pandemic support with JobKeeper subsidies received in respect of the company's employment of core arts workers and the dance ensemble for the March quarter.

Whilst still operating in a pandemic environment , the company was able to return to the stage and this is reflected in the increase in performance income and sponsorship revenue from 2020. As expected the pandemic continued to deliver ongoing challenges on operations and public performances in the arts sector. The company is extremely grateful for the significant philanthropic support received during the year.

Principal Activities

The vision and purpose of the company is to inspire, connect, educate and empower through sharing of creative freedom and artistic fire. The company prioritises collaboration and artistic risk - taking to create exhilarating dance works - redefining our boundaries and reimagining our connection with audiences.

Australasian Dance Collective's overarching goals are:

1. Invest in Art - Cultivate excellence in our artform
2. Invest in People - Enable our artists, collaborators, participants and facilitators to flourish, enriching our audiences
3. Reimagine our Spaces and Mediums - Redefine our boundaries and how we connect with audiences
4. Build our Creative Civic Mission - Demonstrate how art is for all - empowering and enriching the lives of our community
5. 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 building on the creative development work and collaborations forged in 2020, major dance works and programs for the year included:

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

Succession - presented in March at the Judith Wright Contemporary Arts Centre, Succession saw the 27 strong Youth Ensemble creating and performing with the company's professional dancers. Audiences were treated to four unique works created by Youth Ensemble Director Riannon Mclean, company artist Lonii Garnons-Williams, and recently-retired company artists Bernhard Knauer and Jake McLaron.

Three - exemplified the company's drive for excellence and support of local and international artists. The Playhouse Theatre audiences in May embraced: *Still Life* created by company artist and rising choreographer, Jack Lister; *Alterum* by one of Australia's strongest choreographic voices, Melanie Lane; and *Cult* from international superstar and dance revolutionary, Hofesh Shechter.

Echo - featured all Youth Ensemble dancers in two new creations by Queensland-based makers, Katina Olsen and Lauren Graham. Presented at the Judith Wright Contemporary Arts Centre in August, the live dance performances sat side by side with powerful film works created by the Youth Ensemble members.

Forgery - a unique new work presented in the Brisbane Festival at the Cremorne Theatre in September. Forgery was developed by award-winning Australian dancer, sound designer, choreographer and creative coder, Alisdair Macindoe. The work was directed entirely by computer: lighting costumes, music, and with instructions fed live on stage to the company's dancers making every show completely unique.

Resonance - ADC's inaugural Mature Ensemble stood tall. Comprising 14 dancers aged 50+, the Mature Ensemble led by Mature Age Program Coordinator Wendy McPhee, embarked on a 12-week creative development resulting in the sharing of choreographic work, *Resonance*, performed in the ADC studio in December.

Youth Ensemble - led by Youth Ensemble Director, Riannon McLean, the Youth Ensemble in 2021 comprised 27 like-minded dancers aged 15-19. Despite pandemic restrictions, the program successfully ran over three terms, featured two performance seasons (*Succession* and *Echo*), and presented their own film works for the digital program, *Curious Mind*.

Digital Suite - the suite comprises bespoke dance works created specifically for the digital realm. The company continued to commission and create digital works growing the collection of dance films and visual reality experiences.

Creative Learning Suite - provides digital resources for the classroom, offering educators the company's bespoke dance films alongside extensive video content and written resources developed in line with the curriculum.

Sector Development - despite the continued impact of the pandemic, the company maintained a significant sector development program including a summer Contemporary Dance Intensive ("CDI"); in-school workshops; in-studio secondment placements; professional development programs for teachers ("Focus Live" & "Focus Digital"); and community dance classes ("Collectively Connected").

Significant changes in state of affairs

During the year the company revised its strategic plan and, importantly, secured ongoing four-year funding from Arts Queensland for the period 2022-2025, for which we are most grateful.

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

Future developments & Post-Reporting Date Events

The impact of the Coronavirus (COVID-19) pandemic is ongoing. While the company has maintained a sound financial position up to 31 December 2021, it is not practicable to estimate the ongoing impact, positive or negative, after the reporting date. COVID-19 continues to impact operations in early 2022. The company's 2022 regional and national tour will visit fewer venues than planned, due to the effects of COVID-19 on venue programming. Alternative touring opportunities are being pursued by the company, in a challenging performing arts market. Like many parts of the economy, the company's 2022 activities will continue to be affected by measures imposed by government, and other countries, such as lockdowns, social distancing requirements, quarantine, travel restrictions, and any economic stimulus that may be provided.

Damage to the QPAC Playhouse in the Brisbane floods resulted in cancellation of the company's season of Three in March 2022. Planning is underway to reschedule this production later in the year and minimise the financial impact of the cancellation.

Having regard to the company's current cash reserves, management and the board are confident of the company's ability to deliver (and/or adapt as considered necessary) the proposed 2022 program. The Arts Queensland four-year funding secured for 2022-2025 and a Commonwealth Government RISE grant as part of its COVDID-19 support to the arts sector, to be expended across 2021-2023, both enhance the ongoing sustainability of the company.

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 and the Reconciliation Committee.

Information on Directors continued

Bradley Chatfield

Bradley has worked for over 30 years in the creative and performing arts industry, 21 years as a performing artist and 10 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 and is a member of the Reconciliation Committee.

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 was Deputy Chair until 1 December 2021, and is Chair of the Fundraising Committee and a member of the Finance Audit and Risk Committee (until February 2022).

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

Julie has 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 through to large not for profit organisations. Since leaving Deloitte, Julie has worked for a large Queensland not-for-profit specialising in governance, enterprise risk management, financial reporting, board policy development and implementation, privacy compliance and internal controls. Julie has been a Chartered Accountant since 2005. Julie joined the Board in March 2021 and is a member of the Finance Audit and Risk Committee.

Marian Gibney (Member of AICD, 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 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 Hopkir (Bachelor of Business, Management - QUT)

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 was a member of the Finance Audit and Risk Committee and the Market Development Committee and retired from the Board by rotation on 12 May 2021.

Information on Directors continued

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 (GAICD, Master of Business Administration, Executive (EMBA), Australian Graduate School of Management; Master of Film and Television, Bond University; BA (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.

Alan Scott (Bachelor of Bus - 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 the Villanova Foundation. Alan joined the Board on 22 November 2018 and is a member of the Fundraising Committee and, from February 2022, the Finance Audit and Risk Committee. Alan was appointed Deputy Chair from 1 December 2021.

Meetings of Directors

During the financial year, 9 meetings of Directors were held. Attendances were:

Director	Number eligible to attend	Number attended
Marian Gibney	9	9
Tony Denholder	9	8
Lucy Bretherton	9	8
Bradley Chatfield	9	6
Julie Garner	8	8
Amy Hollingsworth	9	9
Roxanne Hopkins	2	2
Dare Power	9	8
Alan Scott	9	9

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 2021 the number of members was 23 (2020: 21).

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 8.

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

Director..
MARIAN GIBNEY, CHAIR

Dated this ..6th.... day of ....April........................, 2022

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALASIAN DANCE COLLECTIVE LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

PKF

PKF BRISBANE AUDIT

LIAM MURPHY
PARTNER

BRISBANE
6 APRIL 2022

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STATEMENT OF COMPREHENSIVE INCOME | FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021	2020
		$	$
Revenue			
Operating Revenue	2	1,962,936	1,513,971
Other Income	2	71,800	544,900
		2,034,736	2,058,871
Expenditure			
Employee benefits expense		985,691	1,162,668
Depreciation of plant & equipment	7,8	25,982	17,791
Amortisation of right-of-use assets	9	58,959	58,078
Interest expense		5,749	2,519
Occupancy		37,333	38,398
Marketing and promotion		433,639	71,641
Program artistic & technical fees		162,834	245,620
Program venue costs		180,918	10,409
Other expenses	3	118,667	193,232
		2,009,772	1,800,356
Surplus before income tax		**24,964**	**258,515**
Income tax expense	1(a)	-	-
Surplus for the year		**24,964**	**258,515**
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**24,964**	**258,515**
Surplus attributable to members of the entity		**24,964**	**258,515**
Total comprehensive income attributable to members of the entity		**24,964**	**258,515**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION | AS AT 31 DECEMBER 2021

	Notes	2021	2020
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,501,737	644,204
Trade and other receivables	5	8,718	55,522
Other current assets	6	27,553	29,474
		1,538,008	729,200
NON-CURRENT ASSETS			
Intangibles	7	52,250	-
Plant and equipment	8	89,572	104,266
Right of Use assets	9	138,580	17,372
		280,402	121,638
TOTAL ASSETS		1,818,410	850,838
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	30,422	101,619
Other liabilities	11	854,208	152,848
Lease liability	9	57,840	16,835
Provisions	12	12,826	19,599
		955,296	290,901
NON-CURRENT LIABILITES			
Other liabilities	11	196,479	
Lease liability	9	84,357	1,535
Provisions	12	2,776	3,864
		283,612	5,399
TOTAL LIABILITIES		1,238,908	296,300
NET ASSETS		**579,502**	**554,538**
EQUITY			
Retained Earnings		579,502	554,538
TOTAL EQUITY		**579,502**	**554,538**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY | FOR THE YEAR ENDED 31 DECEMBER 2021

	Retained Earnings $	Total $
Balance at 1 January 2020	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**
Comprehensive income		
Surplus for the year	24,964	24,964
Other comprehensive income	-	-
Total comprehensive income	24,964	24,964
Balance at 31 December 2021	**579,502**	**579,502**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS | FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021	2020
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating grants and subsidies receipts		1,816,376	1,430,352
Receipts from customers		733,931	337,011
Payments to suppliers and employees		(1,567,263)	(1,556,918)
Interest received		116	442
Net cash generated from operating activities	15	**983,160**	**210,887**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(63,538)	(58,791)
Lease payments		(62,089)	(11,798)
Net cash generated from investing activities		**(125,627)**	**(70,589)**
Net increase (decrease) in cash held		**857,533**	**140,298**
Cash and cash equivalents at beginning of the financial year		644,204	503,906
Cash and cash equivalents at end of the financial year		**1,501,737**	**644,204**

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

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:-

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 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

(b) Plant and Equipment - continued

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.

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 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.

(e) Revenue Recognition - continued

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.

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.

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.

(h) Leases - continued

Right of Use assets continued

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.

(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 Judgements

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 the reporting year by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of estimates. No impairment has been recognised in respect of property, plant and equipment and intangibles assets for the year ended 31 December 2021.

Useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

(k) Critical Accounting Estimates and Judgements - continued

Key Judgements

Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also, periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the entity will make. The entity determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic, and which are key to future strategy of the entity.

Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

Coronavirus

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 services offered, customers, 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

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy. The comparative figures for expenditure within the Statement of Comprehensive Income have been restated and presented by Function as opposed to Nature as it is deemed more appropriate.

(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. During the year the company was successful in securing 4-year operational funding from Arts Queensland for 2022-2025.

	2021	2020
	$	$
NOTE 2: REVENUE		
Operating Activities		
Ticket sales for self-promoted productions	221,356	7,335
Performance contracts	20,445	37,525
Participation fees	92,112	100,705
Merchandising	4,572	1,917
Philanthropy	247,463	200,102
Sponsorship and partnerships - Cash	73,000	5,000
Sponsorship and partnerships - In-Kind	392,486	94,486
General income	22,855	15,295
Membership	123	129
Interest	116	442
Public grants and subsidies - In-Kind	31,464	81,319
Public grants and subsidies - Cash	856,944	969,716
	1,962,936	**1,513,971**
Other income		
JobKeeper wage subsidies	71,800	444,900
Boosting Cash Flows	-	100,000
	71,800	**544,900**

NOTE 3: OTHER EXPENSES

	2021	2020
Auditors remuneration		
Auditing the financial statements	7,950	8,500
Production costs		
Sets, props and costumes	11,228	30,115
Travel & accommodation	10,580	14,203
Other production costs	45,326	97,331
Other miscellaneous expenses	43,583	43,083
	118,667	**193,232**

NOTE 4: CASH AND CASH EQUIVALENTS

	2021	2020
CURRENT		
Cash at bank	1,501,737	644,204
	1,501,737	**644,204**

	2021	2020
	$	$

NOTE 4: CASH AND CASH EQUIVALENTS continued

(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:

	2021 $	2020 $
Cash and cash equivalents	1,501,737	644,204
	1,501,737	**644,204**

The cash balance at 31 December 2021 includes $997,179 of Grants Received in Advance and $53,490 of Other Income in Advance that is held to be used in future periods.

NOTE 5: TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
CURRENT		
Trade receivables	300	622
GST receivable	8,418	-
JobKeeper Wages Subsidy	-	54,900
	8,718	**55,522**

NOTE 6: OTHER ASSETS

	2021 $	2020 $
CURRENT		
Prepayments	27,553	29,474
	27,553	**29,474**

NOTE 7: INTANGIBLES

	2021 $	2020 $
NON-CURRENT		
Intangibles		
Website development	55,000	-
Less accumulated amortisation	(2,750)	-
	52,250	**-**

(a) Movements in Carrying Amounts

	2021 $	2020 $
Balance at beginning of the year	-	-
Additions	55,000	-
Disposals / assets written off	-	-
Amortisation expense	(2,750)	-
Carrying amount at end of year	**52,250**	**-**

	2021	2020
	$	$

NOTE 8: PLANT AND EQUIPMENT

	2021	2020
NON-CURRENT		
Plant and equipment		
At cost	172,887	166,009
Less accumulated depreciation	(83,315)	(61,743)
	89,572	**104,266**
(a) Movements in Carrying Amounts		
Balance at beginning of the year	104,266	63,266
Additions	8,538	58,791
Disposals / assets written off	-	-
Depreciation expense	(23,232)	(17,791)
Carrying amount at end of year	**89,572**	**104,266**

NOTE 9: 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 (new lease commenced on 1 April 2021 and expires on 31 March 2024) and the office photocopier (new lease commenced on 31 December 2021 and expires on 30 December 2026).

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.

	2021	2020
Right of Use Assets		
Right of Use Assets	181,593	119,483
Accumulated Amortisation	(43,013)	(102,111)
	138,580	**17,372**
(a) Movements in Carrying Amounts		
Balance at beginning of the year	17,372	75,450
Additions	181,593	-
Disposals	(1,426)	-
Amortisation expense	(58,959)	(58,078)
Closing balance at end of year	**138,580**	**17,372**

	2021	2020
Lease Liability		
Current	57,840	16,835
Non-Current	84,357	1,535
	142,197	**18,370**

	2021	2020
	$	$
NOTE 10: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	3,640	28,227
GST Payable	-	5,794
Sundry payables	26,782	67,598
	30,422	**101,619**
NOTE 11: OTHER LIABILITIES		
CURRENT		
Grants received in advance	800,718	98,682
Income in advance	53,490	54,166
	854,208	**152,848**
NON-CURRENT		
Grants received in advance	**196,479**	**-**
NOTE 12: PROVISIONS		
CURRENT		
Provision for annual leave	12,826	19,599
	12,826	**19,599**
NON-CURRENT		
Provision for long service leave	**2,776**	**3,864**

NOTE 13: CONTINGENT LIABILITIES

There are no contingent liabilities that have been incurred by the company in relation to 2021 (2020: nil).

NOTE 14: 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 twenty dollars ($20.00) each towards meeting any outstanding obligations of the company. At 31 December 2021 the number of members was 23 (2020: 21).

NOTE 15: CASH FLOW INFORMATION

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

	2021 $	2020 $
Surplus / (Deficit) after income tax	24,964	258,515
Depreciation & amortisation	25,982	17,791
Lease amortisation and interest	64,708	60,596
Lease payments waived	-	(49,855)
	115,654	**287,047**
Changes in assets and Liabilities		
(Increase)/decrease in receivables and other receivables	56,353	(52,063)
(Decrease)/increase in trade and other payables	(78,825)	37,765
(Decrease)/increase in other liabilities	897,839	(69,611)
(Decrease)/increase in provisions	(7,861)	7,749
Cash flows provided by operating activities	**983,160**	**210,887**

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 note 2. These transactions are not reflected in the statement of cash flows.

NOTE 16: POST-REPORTING DATE EVENTS

The impact of the Coronavirus (COVID-19) pandemic is ongoing. While the company has maintained a sound financial position up to 31 December 2021, it is not practicable to estimate the ongoing impact, positive or negative, after the reporting date. COVID-19 continues to impact operations in early 2022. The company's 2022 regional and national tour will visit fewer venues than planned due to the effects of COVID-19 on venue programming. Alternative touring opportunities are being pursued by the company. Like many parts of the economy, the company's 2022 activities will continue to be affected by measures imposed by government, and other countries, such as lockdowns, social distancing requirements, quarantine, travel restrictions, and any economic stimulus that may be provided.

Damage to the QPAC Playhouse in the Brisbane floods resulted in cancellation of the company's season of Three in March 2022. Planning is underway to reschedule this production later in the year and minimise the financial impact of the cancellation.

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 17: 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 Arts
420 Brunswick Street FORTITUDE VALLEY QLD 4006

DIRECTORS' DECLARATION | FOR THE YEAR ENDED 31 DECEMBER 2021

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 9 to 23 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 2021 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 6th day of April, 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALASIAN DANCE COLLECTIVE LTD

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Australasian Dance Collective Ltd ("the Company"), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of the Company is in accordance with the 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 2021 and of its performance for the year ended on that date; 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

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Brisbane | Rockhampton www.pkf.com.au

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, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

PKF

PKF BRISBANE AUDIT

LIAM MURPHY
PARTNER

6 APRIL 2022
BRISBANE