

QUEENSLAND **PERFORMING ARTS** CENTRE

ANNUAL REPORT 2019-2020



27 August 2020

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

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2019-2020 and financial statements for the Queensland Performing Arts Trust for the financial year ending 30 June 2020.

I certify that this annual report complies with:

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

A checklist outlining the annual reporting requirements can be found at page 82 of this annual report.

Yours sincerely



Professor Peter Coaldrake AO
Chair
Queensland Performing Arts Trust

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INTRODUCTION

Vision

A centre of inspiring arts for all Queenslanders.

Values

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

Queensland Performing Arts Centre

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

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

Since opening in 1985, QPAC has welcomed more than 24 million visitors to the Centre, including its four theatres and other performance spaces. In March 2020 early preparatory works began on the construction of QPAC's new theatre on the site of the Playhouse Green, delivering the potential to host an additional 300,000 visitors each year when it is fully operational. The project is set for completion in 2022.

Queensland Performing Arts Trust

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

QPAC's functions include, but are not limited to:

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

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

Object and Guiding Principles

In performing its functions, QPAC must have regard to the object of, and guiding principles for, the *Queensland Performing Arts Trust Act 1977*. The object of the Act is to contribute to the cultural, social and intellectual development of all Queenslanders. The guiding principles for achievement of this object are:

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

OVERVIEW FROM THE CHAIR AND CHIEF EXECUTIVE

COVID-19 has meant that the year under review was amongst QPAC's most challenging in our 35-year history. Until the pandemic struck, causing us to cease performances on 13 March, we were on track to achieve a good outcome against planned performance measures in terms of both theatre attendances and financial results.

The first months of the year provide an indication of the year that might have been. As part of our signature International Series, QPAC presented the world-renowned Bolshoi Ballet on the Lyric Theatre stage as well as a free simulcast in 10 venues across Queensland. Large-scale musical theatre continued to attract a popular following with Queenslanders everywhere. QPAC played a vital role in the creation and development of new work, including *Bluey's Big Play – The Stage Show*. And QPAC's work with First Nations artists and communities presented a rolling program of engagement and events state-wide.

Major milestones for the New Performing Arts Venue (NPAV) project included Heritage approval in December, the commencement of early preparatory works in February, and the Ministerial Infrastructure Designation in April.

But with some 86% of our revenue hitherto deriving from commercial activities, the impact of COVID-19 was both immediate and profound, as it was for other arts organisations and many other sectors of the economy. Over the subsequent months, the Board and senior management team worked together and, critically, with Arts Queensland on strategies to ameliorate the impacts of the pandemic as far as possible. We would like to take this opportunity to thank the Minister, the Hon Leeanne Enoch, and her Director-General for working with the Treasurer, the Hon Cameron Dick and his Under Treasurer to provide a significant package of financial support. This support has been critical in ensuring QPAC has remained a going concern in these most testing of times.

The COVID-19 crisis continues to have a devastating impact; however, planning is well underway for new and innovative programming as we contemplate recovery. Recorded on the Concert Hall stage and streamed on YouTube in time for Queensland Day, the *True North* concert featured a range of Queensland performing artists from musical theatre, contemporary music, State Companies and QPAC's resident companies. *True North* is representative of QPAC's important public role – in collaboration with the State Companies and other South Bank arts institutions – in coordinating an industry response to the crisis. But we have also worked behind the scenes as a leading voice in advocating for support across the arts sector.

For an institution dedicated to bringing people together, QPAC's response to the pandemic is a powerful demonstration of our commitment to civic principles and engendering community spirit. The absence of live performance, however temporary, is a stark reminder of the significance of the arts to our culture, providing hope in a time of crisis and leadership in a time of recovery.

We thank the QPAC Board, Executive Management and the entire QPAC team for their outstanding efforts in the past year and we look forward with optimism and confidence towards welcoming audiences, artists, and visitors back safely.

Professor Peter Coaldrake AO
Chair

John Kotzas
Chief Executive

HIGHLIGHTS AND ACHIEVEMENTS

Attendance

982,957 visitors

671,371 ticketed attendances

311,586 attendance at unpaid events

31.7% from outside Brisbane

Programming Highlights

903 performances across 213 seasons.

57 per cent of seasons were by Queensland artists and companies.

2019 QPAC International Series: Bolshoi Ballet (Queensland exclusive) performing *Spartacus* and *Jewels* in the Lyric Theatre and a live and free simulcast of *Spartacus* to nine regional centres across Queensland and the Melbourne Street Green.

Major musical theatre productions in 2019-2020: *School of Rock*, *Muriel's Wedding the Musical*, *Chicago* and *The Book of Mormon* (return season).

First Nations programming engaged and employed over 950 First Nations artists and creatives. QPAC also provided support to artists and artistic work across regions throughout Queensland. *Clancestry – A Celebration of Country* in 2019 took place over two weeks and welcomed more than 4,000 people attending workshops, events, an installation, gatherings and performances. One of the key First Nations initiatives for 2019, *Seedlings*, offered artists a space to explore and workshop new ideas. 11 new creative works by First Nations writers have been workshoped through this program with plans to be further developed in 2020-2021.

Programs to connect with communities diverse in age, gender, sexuality, ability and ethnicity included: the pilot of QPAC Youth Choir; creative development workshops for the residents of Lutheran Aged Care Services; a three-day music workshop for participants of all ages; and large-scale concerts featuring well-received international artists like Lea Salonga, John Barrowman and Conchita Wurst.

Free events included: *Green Jam* weekly music performances on the Melbourne Street Green; *Clancestry* events; simulcast of the Bolshoi Ballet's *Spartacus*; conversations as part of the QPAC International Series; *True North* online concert to celebrate Queensland performing artists on Queensland Day; and exhibitions in the QPAC Tunnel and Tony Gould Gallery.

Key Awards

2020 Matilda Awards winners

- Best Video Design: Craig Wilkinson and John Weber – *Fantastic Mr Fox*, shake & stir theatre co and QPAC
- Best Director: Daniel Evans – *Cinderella*, Myths Made Here and QPAC
- Best Female Actor in a Leading Role: Amy Ingram – *Cinderella*, Myths Made Here and QPAC

Although the 2020 Helpmann Awards were cancelled due to COVID-19, the following QPAC Presents productions were planned as nominees for entries:

- Best Contemporary Music Performance: Nils Frahm, Kate Tempest, Sharon Van Etten, Mojo Jujū
- Best New Australian Work: *Matriarch*
- Best Ballet: Bolshoi Ballet, *Spartacus* and *Jewels*
- Best Dance Production: Expressions Dance Company, *The Dinner Party* and *Matrix*
- Best Play: Myths Made Here, *Cinderella*

Industry

QPAC is proud to be a performance home for Queensland's state performing arts companies (State Companies): Opera Queensland, Queensland Ballet, Queensland Symphony Orchestra (QSO) and Queensland Theatre. Through our relationships and collaborations, QPAC and the State Companies form a durable foundation from which Queensland's performing arts community thrives.

QPAC's companies in residence include: Camerata – Queensland's Chamber Orchestra, JADE New World Collective and Southern Cross Soloists. By supporting small-to-medium arts companies, both directly and in partnership with the annual Brisbane Festival, QPAC plays a critical role encouraging industry development and audience growth.

With theatres closed in response to the COVID-19 pandemic, QPAC sought to create opportunities for Queensland artists and arts companies: commissioning content for *QPAC At Home*, contracting and featuring artists in the *True North* concert, and using the expertise and knowledge of QPAC producers to assist independent artists and small-to-medium arts companies with grant writing and funding applications.

QPAC engaged Aunty Colleen Wall, a Senior Woman from the Dauwa (String Bark) Clan of the Ka'bvai or Kabi (Bee) Nation as its Elder in Residence. Aunty Colleen is

from the western Mary River catchment in South East Queensland. Her personal Murung is Marun – Sand Goanna. Aunty Colleen is working with QPAC to ensure First Nations programming, community engagement and artist development is truly embedded in the fibre of the organisation. As part of her role, Aunty Colleen is assisting QPAC to establish an Elders Council, a bold statement of intent that QPAC prioritises Queensland's cultural heritage and future.

QPAC presented or co-presented work with Queensland companies and organisations including Aboriginal Centre for the Performing Arts (ACPA), Brisbane Festival, Australasian Dance Collective, Myths Made Here,

Queensland Conservatorium Griffith University, Sounds Across Oceans, Micah Projects, shake & stir theatre co, and UQ School of Music.

QPAC also co-presented work with national companies including The Australian Ballet and Bangarra Dance Theatre.

QPAC issued a total 1,420,351 tickets through QTIX to events at the Centre and other venues around Australia.

IMPACT OF COVID-19

The global pandemic has turned working and living environments around the world upside down. For the first time in its 35-year history, QPAC found itself in the difficult position of putting all programming on pause. Though necessary for the health and safety of the community, this is uncharted territory for an organisation dedicated to bringing communities together to experience live performance. As a performance home for artists and a place of celebration, connection and joy, QPAC operates with open doors, ever ready to provide experiences that challenge, educate and inspire to more than 1.5 million annual visitors in recent years. But despite closure of its theatres QPAC remained determined to connect with people, shifting focus towards bridging the physical divide via social media and online delivery. From the very beginning of the crisis, QPAC focused on people: how to protect its staff, patrons and performers and how to return to live performance for the community as safely as possible and as soon as possible.

The global pandemic that began unfolding at the start of 2020 and continues at the time of reporting, has impacted significantly on QPAC's service delivery during the 2019-2020 financial year and represents a major risk to programming and operations in 2020-2021. In the absence of certainty to adjust performance measure targets, existing targets have been retained while acknowledging that capacity to reach some or all targets has been severely compromised.

As early as February 2020 QPAC saw its first COVID-19 impacts with the Yundi Li *Sonata World Tour* and Queensland Ballet's presentation of Shanghai Ballet's *Lady of Camellias* the first events cancelled by external

hirers. Further performances were cancelled at QPAC from 13 March 2020 due to concerns arising from mass gatherings as the COVID pandemic escalated globally. On 23 March 2020, Queensland's Chief Health Officer issued the Non-Essential Business Closure Direction, prohibiting the operation of any non-essential business in Queensland, including theatres and entertainment venues. The majority of full time and part time staff worked from home with the Centre remaining closed to the public beyond the end of the 2019-2020 financial year.

Among the most significant losses for QPAC and its community were the cancellation of the Paris Opera Ballet International Series and seasons of *Charlie and the Chocolate Factory* and *Shrek The Musical*. QPAC's International Series is well established as the highlight of its annual programming and contributes immeasurably to Brisbane's reputation as a cultural tourism destination attracting significant interstate travel amongst its patrons. Musical theatre drives more than 50 per cent of QPAC's patronage and the loss of two large-scale musical productions with such broad appeal has been sorely felt.

Following closure, QPAC shifted focus towards developing innovative solutions for programming, operational, and financial issues. As well as prioritising patron refunds for cancelled performances as soon as possible, QPAC worked to mitigate reputational and financial impacts and loss of sector capacity, working with stakeholders, clients and artists to support a resurgence in the industry and build future resilience across the arts and cultural sector.

BACKGROUND

Government Objectives for the Community

QPAC contributes to the achievement of the Queensland Government's objectives for the community:

Give all our Children a Great Start

- Through amplifying audience engagement, we connect with young people through learning programs, live arts experiences and digital platforms which share stories relevant to our Queensland communities.

Keep Communities Safe

- Our creative people meet industry standards for the safety and security of our community and workforce.

Create Jobs in a Strong Economy

- We invest in adventurous arts – quality programming and exchanges of creative work – that require a range of roles and expertise within our creative teams and partners.

Service Delivery Statement

QPAC was included within the 2019-2020 Service Delivery Statement (SDS) for the Department of Environment and Science, with the following objective, description, standards and summary:

Service Area Objective

To engage all Queenslanders through an inspiring, diverse and relevant performing arts program.

Service Area Description

QPAC:

- delivers exceptional live performance and learning experiences for Queenslanders and visitors;
- manages the venues within QPAC to generate arts outcomes for the state through positive commercial returns; and
- curates an annual live performance program that includes QPAC variously as a producer, presenter, venue or investor and features production of local, national and international companies. The specially tailored program enhances lifelong learning through art.

Strategic Plan 2019-2023

QPAC's Strategic Plan 2019-2023 set out the following strategic objectives. Key performance indicators are detailed in the Outcomes section from page 11 of this report.

Adventurous arts: Deliver art that excites. Strategies:

- Creating a bold arts program that stimulates, challenges and enthral;
- Collaborating with local and international arts companies and creatives to deliver fresh new perspectives; and
- Developing new ways to reach communities across Queensland.

Captivated audiences: Amplify audience engagement. Strategies:

- Contributing to the life of Brisbane and Queensland as a vibrant public place;
- Inviting access, participation and creative engagement through building context; and
- Connecting audiences with arts experiences, no matter who or where they are.

Creative people: Foster leadership, collaboration and entrepreneurship. Strategies:

- Developing an innovative and creative workforce while promoting respect and integrity;
- Improving continually in expertise, rigor and efficiency to remain responsive to change and opportunity; and
- Encouraging partnerships as an approachable and knowledgeable arts leader.

Operational Plan 2019-2020

QPAC's Operational Plan 2019-2020 was based on its Strategic Plan 2019-2023.

Key deliverables under the Operational Plan 2019-2020 included:

* Indicates SDS deliverables

Adventurous arts:

- Host and present the Bolshoi Ballet as part of the 2019 International Series, alongside an extensive program of events.*
- Facilitate creative development of new work with Queensland companies and artists.
- Deliver a broad program of musical theatre.*
- Deliver an extensive First Nations program, working with artists and communities to present engagement opportunities, professional development and events.*
- Collaborate with small-to-medium companies, community organisations and artists to create program and participation opportunities in non-stage spaces, specifically foyers.

- Continue to collaborate with local arts companies as well as Queensland Conservatorium Griffith University building Brisbane's reputation as a hub of musical theatre training, creation and presentation.

Captivated audiences:

- Extend audience reach by collaborating with venues around Queensland to deliver a regional simulcast during the 2019 International Series.*
- Engage regional communities by exploring opportunities for an Out of the Box touring program.
- Increase audience interest in First Nations programming by presenting an expanded *Clancestry* program and developing new initiatives for emerging artists.
- Offer world music enthusiasts the regular opportunity to experience QPAC's residency – JADE New World Collective.
- Support the QPAC Choir and the QPAC Youth Choir, including participation and performance opportunities.
- Implement growth opportunities from tourism markets, particularly cultural tourists from the Asia-Pacific Region.
- Partner with Queensland and national organisations to present events supporting arts education, practice and culture.
- Deliver a program of teacher professional development opportunities connected with QPAC programs.
- Continue to work closely with design and construction infrastructure professionals and other experts to support the delivery of the new performing arts theatre.*
- Develop (in collaboration with Arts Queensland) a long-term program for renewal, replacement and enhancement of operational infrastructure and equipment to ensure ongoing functionality while meeting industry standards, audience expectations and sustainable practices.*
- Work with Arts Queensland in delivering improved infrastructure and lighting upgrades and technical production safety improvements.*

Creative people:

- Develop an internal communications strategy for keeping staff informed of QPAC's operational and business developments and directions.
- Develop acceptable workforce accommodation and business solutions in response to major infrastructure construction works both on-site and off-site.

- Roll out Leadership Development Programs to emerging and current leaders at QPAC.
- Consistently explore opportunities that will enable QTIX to increase business efficiencies, expand its client base and better meet audience needs.
- Increase physical and cyber security initiatives to protect QPAC visitors, operations and data integrity.

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

On 22 May 2020, the Minister for the Arts wrote to QPAC in relation to the Treasurer's approval to bring forward QPAC's Queensland Government funding of \$5.284 million from 2020-2021 into 2019-2020 and gave QPAC the following direction:

Under section 15 of the Queensland Performing Arts Trust Act 1977, I am directing the Board to agree to this funding being brought forward and for it to be used to retain QPAC's permanent and temporary workforce.

Operating Environment

Queensland's growth, shifting demographics, changing lifestyle patterns, community expectations and technical innovations require continual business manoeuvring. QPAC believes in being agile and responsive to community needs, industry standards and Government imperatives.

Over the next four years, QPAC will actively support creativity, innovation and excellence in the construction of Queensland's New Performing Arts Venue (NPAV), partnering with infrastructure designers, theatre professionals and construction companies to deliver an iconic and functional state-of-the-art theatre. It is recognised that major disruption will occur during construction but when commissioned, significant opportunities will flow that provide long-term benefits for QPAC, the performing arts industry and the community. QPAC recognises that the new venue is integral to our growth strategies to expand our programs and broaden our reach and remains conscious of the need to ensure sustainability of our performing arts sector and growth of our customer base.

During this time, the progress of major infrastructure proposals with citywide benefits that have potential to impede QPAC operations in the short-term will be closely monitored.

While confident in its capacity to achieve our growth strategies, QPAC remains vigilant in the need to increase revenue in a climate of competition for discretionary spend and is grateful for the continuing support of patrons and donors so that Queensland can continue to enjoy quality and sustainable performing arts experiences.

OUTCOMES

Adventurous Arts

Deliver art that excites

- Creating a bold arts program that stimulates, challenges and enthrals
- Collaborating with local and international arts companies and creatives to deliver fresh new perspectives
- Developing new ways to reach communities across Queensland

Performance Indicator	2018-2019 Target	2018-2019 Actual	2019-2020 Target	2019-2020 Actual
Sold Occupancy ¹ <i>The size of our audiences</i>	73%	75%	73%	70% ⁵
Number of Collaborations ² <i>How often we collaborate</i>	160	194	160	131 ⁵
Extent of Regional Engagement ³ <i>How far we reach across the State</i>	100%	98%	98%	98%
Seasons by Queensland Artists/Companies ⁴	55%	63%	55%	57%

1. Total number of tickets sold as a percentage of total tickets offered for sale.
2. Total number of collaborations by QPAC with on-site and off-site presentations.
3. Based on ticketing postcodes and event locations, percentage of populated regional areas from which residents accessed QPAC content or performances.
4. Total number of seasons by Queensland artists/companies calculated as a percentage of total seasons presented.
5. Variance in figure due to impact experienced by COVID-19 theatre closures and ongoing social restrictions.

QPAC aims to deliver art that excites and connects audiences with artists, and artists with audiences. The organisation thrives on collaborating with local and international arts companies and creatives to provide access to performing arts that cross a broad spectrum of genres, appeal to a wide demographic, and are always inclusive and approachable. Though QPAC's 2019-2020 season was profoundly impacted by COVID-19, the first half of the financial year saw the organisation host and present an impressive array of performing arts from large-scale touring musicals and world-class ballet under the International Series banner through to bespoke masterclasses for emerging artists and independent music performances. Throughout the year QPAC remained steadfastly committed to its various roles as facilitator, collaborator, presenter, investor and partner to bring the very best to its stages.

Touring Musicals

Large-scale touring musicals are a mainstay of QPAC's programming and the form's popularity with a broad sweep of Queensland communities cannot be overstated. Not only a significant driver of revenue, musicals provide accessible contact with the theatre for people from a wide range of demographics. Due to their appeal and frequent connection to popular movies or stories, musicals also play a fundamental role in

introducing new audiences to QPAC. This accessibility sits at the heart of QPAC's programming decisions as it seeks to weave the arts into the fibre of civic life for all. Seasons for musicals are also typically considerably longer than most other productions, contributing significantly to QPAC's overall venue utilisation and food and beverage revenue.

In 2019-2020 audiences enjoyed *The Book of Mormon* (return season), *Chicago*, *School of Rock*, and *Muriel's Wedding The Musical*. Due to COVID-19 theatre closures, two family-friendly musical seasons were unable to proceed, with *Charlie and the Chocolate Factory* (March/April) and *Shrek The Musical* (May/June) both cancelled. The loss of these two seasons had profound impact, not only financially for QPAC itself, but also for their connection with family audiences and the missed performance opportunities for young Queensland artists, for some of whom *Charlie* would have been their first professional role on stage.

QPAC's role in musical theatre goes well beyond providing a stage; the organisation is an active investor, co-presenter and is a valued contributor to the national touring circuit.

To garner a better understanding of the musical theatre market and to better meet the needs of consumers and producers, QPAC undertook research to explore

how consumers categorise different musical theatre productions and the decision-making processes involved in purchasing a ticket. This research indicated that musical theatre has a very important place within live performance, with its ability to deliver a joyous experience, encouraging a great diversity of audiences to return regularly to musical theatre. This understanding will help QPAC to refine key messages, imagery and support material related to musicals in the future.

QPAC International Series

Through its signature International Series, QPAC has established a reputation for bringing the world's best ballet companies to Brisbane helping to drive the city's reputation as a cultural hub. This much anticipated annual season has become a source of cultural pride, not only for QPAC as an organisation, but also for the wider community. From 26 June to 7 July 2019 QPAC presented the world-renowned Bolshoi Ballet's performances of *Spartacus* and George Balanchine's *Jewels* alongside an extensive program of events. A total of 23,854 patrons enjoyed the Bolshoi Ballet in theatre with many more accessing a live and free simulcast on 6 July 2019 of *Spartacus* in 10 venues across Queensland. Across all the events, a total audience of almost 46,000 experienced this magnificent ballet company.

With a view to driving cultural tourism, the strategic decision was made to schedule both ballets with a crossover on the middle weekend of the season allowing visitors to Brisbane to see both ballets in one trip. The season included a cast of rotating principal dancers offering unique interpretations of their roles, an incentive for more dedicated ballet patrons to attend multiple performances in order to see different casts. Scheduling decisions like this reflect the QPAC team's collaborative approach to programming and marketing that focuses on the audience experience and audience development.

The music for both ballets was performed by QSO musicians under the baton of Bolshoi Ballet Maestro, Pavel Sorokin. 126 musicians played across the season, including 67 players for the eight performances of *Spartacus* and 59 players for the five performances of *Jewels*. Audiences and reviewers alike commented on the high standard of music performed by the orchestra.

Bolshoi Ballet management expressed its appreciation for the manner in which QPAC embraced the Company and treated its two-week residency in such a professional, friendly and efficient manner, with many company members commenting that it was the Bolshoi's best-ever tour.

In a continuation of the QPAC International Series, Paris Opera Ballet was due to perform in June and July 2020. The closure of QPAC's theatres due to COVID-19 meant the cancellation of this keenly awaited season, which was to be the premiere event of Brisbane's cultural

calendar. The return of Paris Opera Ballet was also to be a milestone moment for QPAC as it would have seen the acclaimed ballet company grace the Lyric Theatre stage for the first time since it headlined the inaugural QPAC International Series in 2009. Early sales heralded what would have been yet another remarkable ballet season in this signature series. As at mid-March, when QPAC was forced to close all theatres and reduce marketing activity due to future uncertainty around COVID-19 globally, the season was on track to meet its ticket target for this season, including very strong interstate sales. All Paris Opera Ballet tickets have been refunded while QPAC continues discussions with the ballet company to reschedule a return season in the future.

QPAC Presents

On any given day, QPAC hosts artists and companies from Queensland, Australia and around the world, yet it is much more than a venue. QPAC invests in the success of its events as a co-presenter, demonstrating belief in its product and commitment to positive outcomes and audience development.

Through its ongoing connections with artists and presenters locally and internationally, QPAC presented a range of high-profile artists in 2019-2020 across multiple art forms. QPAC Presents highlights included *The Gospel According to Paul*, *The Young King*, *Jane Eyre*, *Wolfgang's Magical Musical Circus*, *Peepshow*, Brisbane Festival (including *Briefs: Close Encounters*, *Briefs: Brat Kids Carnival*, *Tetris* and *I'm a Phoenix, Bitch*), a memorial celebration of John Curro AM MBE, and its Ensemble in Residence program (including Camerata – Queensland's Chamber Orchestra, Southern Cross Soloists and JADE New World Collective). Further highlights included performances by Lea Salonga, John Barrowman, Nicole Car, Nils Frahm, Lloyd Cole, The Kransky Sisters, *Operation Ouch!*, Conchita Wurst and Trevor Ashley, Kate Ceberano and Paul Grabowsky, Kate Tempest and supergroup America.

Theatre Occupancy

QPAC's sold occupancy was severely impacted in 2019-2020 by the COVID-19 theatre closures and ongoing social restrictions. As at December 2019, QPAC was on track to reach and potentially exceed its target of 73 per cent for sold occupancy however the final figure for 2019-2020 was 70 per cent.

Development of New Work

QPAC is active in the creative development of new work, seeing its role as much more than simply providing a stage on which to perform a finished work. Knowing that what audiences see on stage is just part of a much bigger story, QPAC provides support for Queensland companies to take stories and ideas and bring them to life for audiences. This illustrates QPAC's understanding that professional and creative development is a valuable long-term investment in Queensland's arts sector.

The development of new work focuses on collaboration with creatives and companies, helping them navigate their way from idea to realisation. Not all works that go through this process will necessarily reach the stage as a polished production, however QPAC believes that such experimentation and support of local artists is essential to an environment that fosters innovation and future success.

There is perhaps no better example of the possibilities that can come out of such a creative process than the 2019-2020 development of *Bluey's Big Play*. Created by Brisbane production company Ludo Studios and co-commissioned by ABC and BBC Studios, *Bluey*, an animated series for children, premiered in late 2018 and quickly became the most successful children's program on ABC television. It has now been licenced internationally to the BBC and Disney. Prominent theatre producer Andrew Kay and the BBC secured the rights to create a live production based on the series and QPAC invested as a co-commissioner in the creation of the work and in its subsequent tour. The world premiere of the stage show was set for May 2020 at QPAC but was postponed due to COVID-19.

Another collaboration that resulted in a successful QPAC season was *Cinderella*, a theatre work presented in association with new Queensland company – Myths Made Here. The company focuses on text-based theatre suitable for secondary students and young adults. Their version of *Cinderella*, with a contemporary twist, resulted in a sold-out season in QPAC's Cremorne Theatre and was well received by schools. Partnerships such as these allow QPAC to support local artists and contemporary Australian writing and provide vital professional development opportunities. QPAC is exploring the potential for future collaboration with this company.

Alongside its remit to share Queensland stories, QPAC is committed to offering audiences the opportunity to explore new artforms. QPAC's newest resident company, JADE New World Collective, is a showcase of multi-cultural music and artists. The ensemble performed an Open Rehearsal at QPAC as part of Brisbane Open House in October and demonstrated the organic process of creating music through improvisation. As teaching artists, JADE also worked with QPAC to deliver *Creative Fusions*, a three-day music making workshop and performance, delivered in partnership with QPAC and Sounds Across Oceans. With a strong emphasis on inclusivity, the program involved musicians aged 10 and up, with all levels of experience and from diverse cultural backgrounds sharing a passion for music.

First Nations Programming

QPAC works with First Nations artists and communities to present a rolling program of engagement, professional development and events across the whole of Queensland. Supporting QPAC's endeavours, in 2018 the Queensland Government allocated \$8 million over four years to strengthen regional programs, including engagement with Aboriginal and Torres Strait Islander communities. This funding allocation also allowed for further program development across digital, children and young people and education.

Highlights for 2019-2020

- Over 950 First Nations artists and creatives engaged and employed as part of QPAC's First Nations program throughout the year.
- Support for artists and work in Yarrabah, Gold Coast, Sunshine Coast, Kabi Kabi Country, Quandamooka, Saibai Island, Bamaga and Brisbane.
- 11 new creative works by First Nations writers workshopped to progress into further development in 2020-2021.
- Seven works by First Nations artists presented as part of QPAC's mainstage program.
- 12 new partnerships established with community and arts organisations.
- Presentation of two large-scale art installations by First Nations artists.
- *YAWAR – A Gathering* saw over 110 traditional dancers perform on the Playhouse Green for the last time (prior to the Green being handed over as the site for the NPAV) and over 4,000 people attended workshops, events, an installation, gatherings and performances over two weeks of Clancestry in 2019.

2019 saw QPAC further one of its key First Nations initiatives, *Seedlings*, an incubator that provides a creative and cultural space for artists to explore, seed new ideas and challenge forms of expression. *Seedlings* comprises four strands: including *Footprints*, an exploration of traditional and contemporary dance; *Blakbeats*, a program for traditional and contemporary music; *Sparks*, a program in conjunction with Playlab Theatre for playwriting; and New Works, an opportunity for artists to continue the process of creative and cultural development. Key outcomes in 2019-2020 from *Seedlings* include:

- *Footprints* – a dance piece was created by four male artists performed at *Green Jam* and Quandamooka Festival alongside workshops at that festival and at several NAIDOC events in 2019.
- *Blakbeats* – five First Nations song creatives undertook residency with Luke Daniel Peacock in 2019 performing at *Green Jam*, *Clancestry* 2019, Quandamooka Festival and Horizon Festival.

- *Sparks* – six First Nations writers participated in a year-long development program delivered in partnership with Playlab Theatre. Following the success of *Sparks*, four works have been supported for further creative development.

New First Nations Works

Facilitating the development of new work is very much part of QPAC's First Nations initiatives. In 2019-2020 QPAC supported the development of numerous First Nations works including *Queen's City*, *Dancing the Line*, *Gubal Thaymen – The Winds of Change* (previously *Woer Wayepa – The Water Is Rising*), *Tiddas*, and *The Crab and the Mangrove Tree*.

First Nations Partnerships

The First Nations team established new partnerships and renewed existing collaborations with organisations including Playlab Theatre and Moogahlin Performing Arts, Ilbijerri Theatre, Musgrave Park NAIDOC Family Fun Day, Booin Gari Festival Sunshine Coast, Quandamooka Festival, Blakdance, Performing CountryLink UP, Diringhi Aboriginal Corporation, Horizons Festival, La Boite, Wayne Weaver Foundation and State Library of Queensland.

Clancestry 2019

In 2019, QPAC's celebration of First Nations culture and spirit – *Clancestry* – was reimagined. *Clancestry* was delivered between 18 November and 2 December 2019, presenting a two-week program of new and existing work, installations and community gatherings. Program highlights and works included: the *Unearthed* pedestrian tunnel installation; weekly community gatherings; *Yawar – A Gathering*, a family day of programming; Mojo Juj performance with Blakbeats musicians; *Matriarch* by Sandy Greenwood; creative development and performance by The Lublys; and *Biggest Mobs* – a series of three free live events on the Melbourne Street Green.

Clancestry also included a strong focus on facilitating media partnerships with specialist First Nations media, developing effective working relationships that are certain to continue. Audience interest in *Clancestry* was generated through an integrated marketing campaign including targeted media pitching reaching both First Nations and general media. QPAC's Associate Researcher, Barbara Piscitelli AM led research among attendees of selected *Clancestry* events which provided valuable feedback that will be used to guide planning for future First Nations programs.

First Nations Collaborations

QPAC continued to combine forces with First Nations arts companies to share, educate and promote First Nations culture. One of the most significant collaborations in 2019-2020 included the presentation of Bangarra Dance Theatre's landmark 30th anniversary season. QPAC engaged the services of Blaklash Projects

to deliver a complementary program for Bangarra's season including: a poster exhibition documenting Bangarra's history; a curated live internal performance program of First Nations artists; and a virtual reality installation. Bangarra Dance Theatre and QPAC have forged a strong friendship over more than two decades as co-presenters and collaborators. The exchange of information and knowledge is greatly appreciated by both organisations. QPAC's level of engagement is frequently acknowledged by the company to the extent that Bangarra often refers to QPAC as their second home.

In partnership with ACPA, QPAC presented *The Wiz* in the Cremorne Theatre in December 2019, celebrating 13 years of collaboration between the organisations. This was the first time for several years that ACPA presented a fully staged production as an alternative to a showcase and it was well received. The production featured ACPA students and was directed and choreographed by Simon Lind, ACPA's Head of Dance.

Other First Nations programming and new works in development included a performance piece by Ghenoa Gela called *My Urrwai*, a contemporary dance season called *mi:wi* and *CO_EX_EN* by Karul Projects, and a partnership with La Boite supporting the rehearsal and staged reading of *Shadows in a Dress* by First Nations playwright Hannah Belansky and director Roxanne McDonald.

Creative Partnerships

QPAC continued its well-established partnership with Queensland Conservatorium Griffith University with the aim of building Brisbane's reputation as a hub of musical theatre training, creation and presentation. A highlight for 2019-2020 was the presentation of *The Sky's the Limit* with Queensland Conservatorium. The week-long series of masterclasses and workshops for third-year Bachelor of Musical Theatre students was led by Broadway star Faith Prince alongside her short season in the Cremorne Theatre. QPAC worked with Griffith University to facilitate a social media content piece highlighting QPAC and Griffith University's partnership through the student workshop and showcase with Faith Prince. Queensland Conservatorium students also took part in a dedicated Q&A session with musical theatre star Lea Salonga and musical theatre and television star John Barrowman who delivered a masterclass with students.

Collaboration to Extend Reach

Development partners, donors and benefactors play a vital role in enabling QPAC to deliver its annual program on stage and to extend its reach beyond the stage into the wider community. In 2019-2020, partner and donor support enabled numerous First Nations peoples and other community members and organisations, who may not otherwise have had the opportunity, to attend a variety of QPAC performances, activities and workshops.

Of particular note was an additional donation (over and above its annual grant) by Maria Vasas Foundation to cover travel, ticket and catering costs enabling 163 First Nations peoples from schools, communities, health, and educational groups to attend *Matriarch* as part of *Clancestry* 2019.

As part of a partnership with YFG Shopping Centres, QPAC delivered five days of *Here I Am* self-portrait workshops at Sunnybank Hills Shoppingtown, engaging almost 600 children in January 2020. A further two activations planned for Redbank Plaza and Sunnybank Plaza have been rescheduled due to COVID-19.

In November, QPAC hosted *Backstage at QPAC* for the first time since 2017, inviting guests, partners and sponsors to experience a unique networking and performance experience. The Cremorne Theatre and Scenery Dock hosted a QPAC staff panel discussion and included performances from local artists including JADE New World Collective and Company 2. *Backstage at QPAC* enabled QPAC to strengthen relationships with stakeholders as well as creating networking and business development opportunities for partners.

QPAC partnered with the Committee for Economic Development Australia (CEDA), delivering a 2020 kick-off event for CEDA's members at QPAC. The event provided a valuable opportunity for QPAC's board members and executives to network with high level leaders from CEDA's membership. The event also allowed QPAC to communicate its vision and story to over 80 influential business leaders and showcase homegrown performing arts talent fostered through QPAC partnerships.

Several QPAC partners renewed their partnerships in 2019-2020. Of note, MinterEllison renewed its Principal Partnership for the QPAC International Series with increased investment. Emporium Hotel South Bank also renewed with a significant increase in sponsorship, elevating it to Major Partner status. Other renewals included Mapei, Brisbane Airport Corporation, Qantas and National Storage.

In 2019-2020, QPAC development partners, donors and benefactors included:

- Principal Partners: Hyundai, MinterEllison (QPAC International Series), Heritage Bank (*Green Jam*)
- Major Partner: Emporium Hotel South Bank
- Supporting Partners: YFG Shopping Centres, Brisbane Airport Corporation, Mapei, Macquarie Telecom, National Storage, Qantas
- Airline Partner: Singapore Airlines
- Champagne Partner: Moët Hennessy
- Media Partners: JCDecaux, Schwartz Media
- Trusts and Foundations: Maria Vasas Foundation
- Major Benefactors: Dr Cathryn Mittelheuser AM, Anonymous, Professor Peter Coaldrake AO
- Supporting Benefactors: Friends of Out of the Box, Friends of QPAC International Series, various donors

Like much of QPAC's business and operations, partnerships have been severely impacted by COVID-19, the closure of the Centre and cancellation of performances. Since the end of March, all partnership agreements were put on hold with support from all partners.

Captivated Audiences

Amplify audience engagement

- Contributing to the life of Brisbane and Queensland as a vibrant public place
- Inviting access, participation and creative engagement through building context
- Connecting audiences with arts experiences, no matter who or where they are

Performance Indicator	2018-2019 Target	2018-2019 Actual	2019-2020 Target	2019-2020 Actual
Number of Visits* ¹ : <i>How many access our content</i>	1,320,000	1,503,529	1,330,000	982,957 ⁴
Audience Satisfaction with Programming* ² <i>The extent of audience engagement</i>	95%	92%	95%	91% ⁵
Diversity of Audience ³ <i>The breadth of our audience</i>	13%	6%	13%	8% ⁶

* SDS effectiveness measures

1. Sum of total on-site attendance at paid and unpaid performances and events, including workshops and Tony Gould Gallery attendance.
2. Total number of audience members surveyed that rated enjoyment in top two categories of five-point scale, calculated as percentage of total audience members surveyed.
3. Total number of diverse audiences, calculated as percentage of total audience surveyed.
4. Variance in figure due to impact experienced by COVID-19 theatre closures and ongoing social restrictions.
5. Audience satisfaction decreased largely due to minor levels of dissatisfaction with content in some seasons.
6. This figure may not be an accurate indication of QPAC's engagement with diverse audiences due to the data collection methodology, i.e. there could be a poor audience survey response rate from the target group due to language and cultural differences. The methodology is continually reviewed to better capture the data.

An audience-centred approach to programming is driven by the vision of an audience captivated, lost in a moment as they sit in a QPAC theatre. An essential part of this is to ensure that QPAC's stages reflect the diversity of audiences and that programming extends beyond the stage to other engagement opportunities.

Creating a welcoming space for the arts, open to anyone who wants to experience it, is only possible through thoughtful programming, based on a sound understanding of existing and potential audiences and bespoke communications that suit the needs of patrons. With this in mind, QPAC has been working to better use data and technology to implement audience development initiatives. This included targeting infrequently attending customers, refining recommended events, connecting with disengaged email subscribers, and developing targeted remarketing based on abandoned online cart behaviour relating to web visitors not completing their online transactions.

Customer data and insights also influence evaluation of proposed events, allocation of resources and development of marketing strategies. These insights were invaluable when COVID-19 forced the closure of theatres. The team used known data to develop a profile of audiences most likely to return to QPAC quickly after reopening (once COVID-19 restrictions allow) and the

types of events and key messages which would hold the most appeal. This led to a strategic approach to pursuing and securing future performances and seasons for the theatres and carefully crafted marketing strategies to maximise sales and revenue.

Customer experience research conducted in mid-2019 provided a roadmap of key touch points between QPAC and audiences, including identifying improvements that have the greatest impact on overall customer experience. QPAC has responded to the results of this research with initiatives focused on improving timeliness and content of communication.

Children and Young People

QPAC takes seriously the part it can play in expanding arts literacy and opportunities for children and young people to engage with QPAC are peppered throughout program offerings. Key to this approach is ensuring a wide range of artforms are presented with appeal for everyone from seasoned arts lovers to the youngest of audience members at the very beginning of their engagement with live performance.

QPAC has a long and proud history of playing a leading role in Australia in developing children's performing arts programming through its Out of the Box Festival, commissioning over 100 new works during the festival's

history. The festival for children up to eight years old has been a signature event for the Centre for almost 30 years. More than a million people have attended an Out of the Box event throughout its lifetime with over 1,600 performances, 2,500 workshops and 9,500 free events delivered.

The biennial festival was planned for delivery in 2020, however due to capital works at QPAC and throughout South Bank and the Cultural Precinct, the usual style of Out of the Box programming that takes over the Centre and its surrounds was untenable. Instead, Out of the Box events were woven into the wider programming for children and young people at QPAC, with creation and delivery periods spaced throughout the year. Unfortunately, COVID-19 restrictions significantly impacted the delivery of this program. The only Out of the Box production delivered in 2019-2020 was the world premiere performance of *Flower* in February created by Sally Chance Dance and Masil Theatre of Korea. Two world premiere productions were commissioned for the May/June period: *Dogs in the Schoolyard* by Flipside Circus and Assembly of Elephants, and *Bluey's Big Play* in partnership with BBC Studios and Andrew Kay Productions. Theatre closures required both these productions to be postponed. Additionally, QPAC commissioned a new production called *Lighthouse* by Patch Theatre which saw its world premiere in Adelaide in 2020. A presentation of this work at QPAC is currently being renegotiated.

An enduring legacy from previous festivals is ongoing, with *Here I Am* creative workshops being delivered at *IMAGINIQUE – Singapore Children's Festival* as well as locally in Sunnybank Hills Shopping Centre. A second development of *Outside*, a children's opera based on the book by Libby Hathorn, was held on-site, building on the work commenced during the 2018 Out of the Box Festival. *Harmony and Presto*, an Out of the Box work with deBase Theatre, was redeveloped and rehearsed with a new cast for a tour through Asia.

In addition to Out of the Box activity, QPAC has developed and presented works for families and the education sector including *Tetris* by Arch8 from the Netherlands, *Stick By Me* by Andy Manley from Scotland, *The Young King* by Slingsby, *Laserbeak Man* by Dead Puppet Society, Bangarra Dance Theatre's 30th Anniversary performance program, *Brat Kids* by Briefs Factory and Brisbane Festival, *Jane Eyre*, *A Christmas Carol* and *Fantastic Mr Fox* by shake & stir theatre co, QPAC's *Spirit of Christmas*, *Wolfgang's Magical Musical Circus* by Circa, the postponed presentations of *Medea* with Myths Made Here and *Jane Eyre* with shake & stir theatre co. QPAC also partnered with the World Science Festival Brisbane in the education program scheduled for delivery in the Centre's venues however this event was also cancelled due to COVID-19.

QPAC's own programming for children and young people was complemented in 2019-2020 by productions from State Companies and hirer presentations including:

- *The Little Green Road to Fairyland* by Queensland Ballet and Queensland Music Festival
- *Storm Boy* by Queensland Theatre
- *A Not So Traditional Story* by Brisbane Festival
- *The Nutcracker* by Queensland Ballet
- *Operation Ouch!* by AKA
- Major musicals including the scheduled seasons of *Shrek The Musical* and *Charlie and the Chocolate Factory* that were unfortunately cancelled due to COVID-19.

Through its children and young people programming, QPAC also supported the development of artists and works that may be suitable for future presentations including creative development for *Bogart* by Company 2, *The Lost Balloon* by Clint Bolster and rehearsal of *Larry and the Dame* by Carita Farrer Spencer prior to its regional Queensland Tour.

Engagement and Learning

QPAC's public engagement and learning programs aim to build on the performances on its stages to help audiences find further meaning and relevance. These programs and activities encourage questioning and active participation underpinned by three principles: building context supports meaning making; participation is key to learning; and cultural institutions are public spaces. These principles act as pillars of the program design, marketing and approach to audiences, partners and communities. No matter the scale, all of QPAC's programs and activities are designed to be as open and accessible as possible.

Ideas to Engage

With the aim of broadening ideas, providing insights and generating discussion, QPAC produces *Story* magazine. Each edition of *Story* explores an idea or theme and features writers, artists, thinkers, and commentators from Australia and around the world. The publication is available on-site at QPAC, distributed at various cafes and libraries as well as accessible online. *Story* is a rich resource for a deep dive into the arts and an opportunity for further engagement with QPAC and the broader arts community. Highlights from *Story* have a longer lifetime on QPAC's website and proved an effective archive of content to be used to engage with audiences whilst the Centre was closed.

In 2019-2020, *Story Act 1* looked at the theme of desire and contributors included New York photographer and author Bill Hayes, national commentator Van Badham and several Queensland writers, poets and artists such as Chris Currie and Yen Rong-Wong. *Story Act 2* looked at ideas of paradise with feature pieces from internationally renowned novelist Jeanette Winterson,

British philosopher A.C. Grayling and Indonesian writer Eliza Vitri Handayani.

Throughout its 35-year history QPAC has been connecting with its audiences both on and off the stage. The organisation has developed a loyal and engaged patron base over the years and to have to close its doors to this community due to COVID-19 went against its very grain. One of the most important priorities for the organisation throughout the closure was to stay connected with its audiences and community. In order to do so, QPAC developed an e-newsletter, *QPAC At Home*, in March 2020 which was distributed to its existing broad subscription list for the *What's On* fortnightly e-newsletter. *QPAC At Home* included behind the scenes videos, specially recorded performances by local artists, content from the *Story* archives, as well as curated content from QPAC's Cultural Precinct partners and State Companies. What was originally intended as a temporary communication will now likely be continued for those seeking ongoing performing arts content in addition to what they see on stage at QPAC.

In addition to *QPAC At Home*, a new page was added to QPAC's website called *Arts Online* offering a curated collection of performing arts content from Australia and around the world. *Arts Online* aimed to keep audiences connected with QPAC whilst the theatres were closed and included a selection of highlights from artists and creatives across the world who were creating content direct from their home, access to full length recorded performances by some of the world's best arts companies, links to live streamed performances, workshops and discussions from Australian and international artists.

During the COVID-19 closures and to coincide with Queensland Day on 6 June, QPAC curated and streamed a concert entitled *True North*. The name was chosen due to its meaning around finding a point of certainty and direction, particularly relevant given the global upheaval at the time. Recorded on the Concert Hall stage and streamed on YouTube, the concert featured a range of Queensland performing artists from musical theatre, contemporary music, State Companies and QPAC's resident companies. It attracted more than 2,000 live unique views, almost 6,200 total views and a very active and positive live chat.

QPAC has established a number of festive traditions throughout its 35 years with the *Spirit of Christmas* concert a firm fixture on the calendar since its beginnings, including a range of special guest singers as well as featuring the QPAC Choir. This is an event that has found its way into the hearts of Queenslanders over the years: an opportunity to celebrate the wealth of Queensland performing arts talent; to come together with friends and family; and a time for QPAC to acknowledge all those who have supported another year of delivering world class arts. During the 2019 *Spirit of Christmas* season QPAC partnered with local

charity, Common Ground, for which bucket collections over three performances raised more than \$10,000 to support social justice, environmental, disadvantaged and community groups. More recent additions to the annual festive offerings at QPAC are *A Very Kransky Christmas* and *A Christmas Carol*, a co-production with shake & stir theatre co. This year's *A Christmas Carol* was particularly well received with an audience satisfaction rate of 100 per cent.

QPAC's Scholar in Residence is Professor Judith McLean. Professor McLean is the Chair, Arts Education (a joint appointment by QUT and QPAC) and is the lead facilitator for the Australia Council's Arts Leaders Program. She is a regular contributor to QPAC's *Story* magazine and builds resources to assist in bridging the gap between arts education theory and practice.

Participation

QPAC supports a broad range of community-focused initiatives aimed at enhancing the individual and collective impact of its programs through participation and exchange.

Each year QPAC contributes to the annual Brisbane Open House event as a long-time partner. The Centre's brutalist architecture is significant to Brisbane's heritage and QPAC's participation in the event provides residents and visitors with behind the scenes insight into the venue and the breadth of work the organisation presents. In 2019-2020, QPAC curated events including backstage tours, self-guided tours, two exhibitions and performances from QPAC's resident ensemble JADE New World Collective, Jazz Music Institute's New Orleans Marching Band, a Queensland Conservatorium jazz trio and the QPAC Choir – QPAC's largest group of ambassadors.

The QPAC Choir, under the direction of Choirmaster Timothy Sherlock, provides ongoing participation and development opportunities for its almost 200 members, through weekly choir rehearsals alongside a diverse range of performances. In 2019-2020 the choir presented a showcase concert *Rock Choir*, a performance as part of Brisbane Open House, a public Open Rehearsal, and *Help is on its Way* for Queensland Music Festival. The choir is also an integral part of QPAC's annual *Spirit of Christmas* concerts. In 2019, a pilot QPAC Youth Choir program was trialled, catering to school-aged singers. The program received positive reviews from the youth singers and their parents, and the QPAC Youth Choir performed alongside the QPAC Choir in a number of concerts including *Spirit of Christmas*. The pilot was valuable, providing insight into the specific needs of young singers and provided greater awareness of the youth choir network in Brisbane. QPAC also remains committed to providing performance opportunities for other choirs and welcomed choirs from Australian Catholic University and Children's Health Queensland as well as Brisbane Chorale and Brisbane Birralee Voices to perform in the *Spirit of Christmas* 2019 season.

Regional Engagement

QPAC is more than just a sum of performances throughout the year. As important as what goes inside the theatres is how the organisation takes that art and associated programs beyond its walls. Making the arts accessible to all no matter where they live is an integral part of the organisation's purpose. One of the many lessons from theatre closures during COVID-19 is that everyone can connect in different ways online throughout Queensland and beyond to the rest of Australia and overseas. QPAC believes strongly that all Queenslanders should have access to performance.

Through its programming, collaborations and participation initiatives, QPAC aims to contribute to the cultural life of Brisbane and Queensland. Regional simulcasts provide an effective outreach opportunity for QPAC with this year's highlight the 2019 International Series featuring the Bolshoi Ballet.

Bolshoi Ballet's *Spartacus*, hosted by Jenny Woodward (ABC TV) and Martin Buzzacott (ABC Classic), was simulcast live via satellite to 10 venues across Queensland. This free broadcast reached an audience of over 2,700 patrons, delivered through a range of partnerships with local councils and arts centres and in collaboration with local community groups. Towns and cities participating included Bundaberg, Mount Isa, Yarrabah, Townsville, Longreach, Ingham, Toowoomba, Gladstone, Cairns and Brisbane. The locations for the screenings ranged from the Indigenous Knowledge Centre in Yarrabah, to outdoor venues including the Munro Martin Parklands in Cairns and the Jezzine Barracks amphitheatre in Townsville. Mount Isa hosted a themed Roman feast prior to the simulcast screening. QPAC provided production and marketing support to enable new locations to come on board.

In November QPAC proudly partnered with QSO to present a livestream of the *Timeless* concert from QPAC's Concert Hall. Regional venues included Gladstone, Gympie, Gold Coast, Hinchinbrook, Toowoomba, Scenic Rim, South Burnett and Sunshine Coast. For the first time QPAC worked with Wesley Mission to stream the performance into 18 aged care, young care and disability care facilities. Additionally, The Wesley Hospital and Longreach Regional Council scheduled delayed streams of the concert and the performance also streamed live to Facebook which attracted views from around the world. The concert reached further international audiences when it was broadcast by Canal 22 in Mexico in December.

Creative Partnerships

To expand its outreach, QPAC works closely with local community organisations to support creative, cultural and artistic outcomes.

In October 2019 in partnership with Micah Projects, QPAC presented *Songs of Justice*, a concert to mark several key anniversaries for Forgotten Australians.

The concert featured Indigenous singer-songwriter Dan Sultan and brought together many community choirs performing alongside the QPAC Choir.

Both the audience and the community choirs involved in the performance included people who experienced childhood abuse in an institutional setting alongside representatives of other marginalised communities. This created a special moment of acknowledgement for all involved. The concert was filmed to create an archival recording and a short legacy video that was shared via QPAC's social media channels and online.

Another noteworthy project for 2019-2020 was *Creative Fusions*, which was delivered in partnership with Sounds Across Oceans. The three-day music program brought together 50 musicians aged from 9 to 74, ranging from beginners to senior teaching artists. The program supported the involvement of three emerging teaching artists (backgrounds from Burma, China and Indigenous Australia) and a collaboration with Multicultural Australia supported three participants from refugee backgrounds.

In addition to collaborating on specific projects, QPAC provides access to selected performances for marginalised or disadvantaged groups facilitated through community partners including Micah Projects, FHEAL (Friends of Home of Expressive Arts and Learning), Common Ground Queensland, Communitify, and the Women's Legal Service Queensland.

In 2019-2020 workshops and masterclasses with visiting artists and performers were offered including:

- Bolshoi Ballet – two masterclasses for professional and aspiring professional ballet dancers;
- Ghenoa Gela (*My Urrwa!*) for First Nations students from the Murri School and ACPA; and
- Briony Kimmings (*I'm a Phoenix, Bitch*) for emerging actors.

QPAC's partnership with Artology supports the *Fanfare* project, which provides young composers from across Australia with mentorship and professional development opportunities. Short (30 second) fanfares, composed by the participants are recorded and played in the QPAC Concert Hall foyers prior to selected concerts throughout the year.

A partnership with the Women of the World (WOW) supported a one-day event for International *Day of the Girl* in October 2019. 70 female students from across Queensland participated in the day which included a panel discussion by leading women in their fields and a series of small group mentoring workshops.

QPAC also partnered with Lutheran Services to deliver a series of workshops throughout February and March 2020 in two residential facilities for people with dementia as part of the creative development of *If Only I Could* – a new dance theatre work that brings elderly people with dementia together with professional dancers.

Activated Spaces

In 2019-2020 QPAC's program of installations and exhibitions activating spaces throughout the Centre included: three exhibitions in the Tony Gould Gallery and three tunnel installations. Exhibitions over this period included: *I Am Spartacus: revolutionaries, radicals and theatres of dissent* as part of the International Series Bolshoi Ballet season; *Keepsakes* and *Bittersweet*, which explored the history of Australian musical theatre since 1920. Tunnel installations included *Unearthed*, featuring original artwork by First Nations artists; *From Me to You*, images designed to invite viewers to make themselves part of the installation and share images via social media platforms over the summer holiday period; and *Acts of Courage*, an installation exploring art and social change.

QPAC partnered with the Queensland Eye Institute Foundation to present *Last Seen* in the Ground Floor foyer. This exhibition paired Australians who have been impacted by blindness or vision impairment with artists to create paintings of their last significant memory before their vision started to deteriorate.

Schools and Teachers

Engaging with schools and teachers is a priority for QPAC as it aims to create opportunities to contribute to the arts literacy of Queenslanders and help foster a passion for life-long learning. QPAC consistently programs works suitable for children and young people to allow the arts to be accessible and inclusive and nurture an appreciation from a young age for the role that art can play in society. To ensure ongoing information and idea sharing between QPAC and the education sector, a Teacher Advisory Committee was formed in 2019.

In November 2019 QPAC hosted a professional development day for a group of primary school teachers and principals from schools in the Springfield area. The day was part of a larger project in development with Australian Children's Laureate Morris Gleitzman, *Say It Like You Mean It*.

New Performing Arts Venue

The QPAC experience will be significantly enhanced with the future addition of the NPAV on the site of the Playhouse Green, on the corner of Grey and Russell Streets. Due for completion in 2022, the new theatre will create the largest performing arts centre in the Asia Pacific region and when fully operational has the potential to welcome an additional 300,000 visitors per year. This will bolster Queensland's cultural vibrancy, showcase the State's unique stories, provide more opportunities to collaborate with the Queensland arts sector, and drive cultural tourism.

The NPAV project moved ahead during 2019-2020, whilst also allowing for changes to the workplace

framework from March to ensure the site complied with government guidelines regarding COVID-19 restrictions. With QPAC's representatives as key members of the NPAV Steering Committee and Working Group, key activities were undertaken including contributing to finalising the detailed designs by Blight Rayner + Snøhetta; collaborating with managing contractor, Lendlease on early works; consultation with key stakeholders and contributing to the project's value management process.

The NPAV project achieved several milestones in 2019-2020 including receiving Heritage approval in December allowing the commencement of early preparatory works in February and receiving a Ministerial Infrastructure Designation in April following a thorough consultation process. Consultation will be ongoing throughout the construction process with the Queensland Heritage Council as well as a variety of other groups including the First Nations community, disability advocates such as MS Queensland, Vision Australia and Better Hearing to ensure accessibility effectiveness, state and resident arts companies, Cultural Precinct partners and South Bank neighbours. The early works included site establishment, exploratory works, installation of vibration monitoring and service relocation with the project on track for completion in late 2022.

QPAC, in conjunction with Arts Queensland and the Department of Housing and Public Works, has played an important consultative role in surrounding infrastructure planning on QPAC's boundaries including providing input into the Brisbane Metro early works, South Bank Masterplanning, the Neville Bonner Bridge project, Grey Street Cycleway, River Side Open Space project and Cross River Rail.

Focus on Audience Experience

With a constant focus on providing the best possible experience for all patrons, QPAC is always identifying opportunities to ensure its facilities are well equipped to deliver the very best in live performance. Many of the changes and upgrades made are behind the scenes but play a vital role in providing an optimal environment for artists, crew and staff to work within. With the audience experience front of mind, QPAC continued to collaborate with Arts Queensland on a long-term program for renewal, replacement and enhancement of operational infrastructure and equipment. This program aims to ensure ongoing functionality while meeting industry standards, audience expectations and sustainable practices.

After identifying priorities across QPAC infrastructure along with some major new projects, Arts Queensland allocated \$500,000 (excluding GST) from the Arts Infrastructure Investment Fund to assess and develop opportunities to optimise functionality, efficiency and business delivery. As the first stage of this project,

QPAC commissioned KPMG to conduct the *Future Capital Infrastructure Needs Assessment & Prioritisation Framework*. The Future Capital Works Infrastructure Plan is now near completion and a final framework is expected by mid-2020.

Arts Queensland is also commissioning a *Condition Audit of the QPAC Building* to identify asset condition, renewal and priority infrastructure works. QPAC has progressed work with Arts Queensland to deliver an improved Stage Door and security hub on-site. Design plans were developed by QPAC and Arts Queensland, finalised in August 2019 and subsequently agreed by an Independent Expert Panel. Designs for this vital hub for QPAC are now finalised and construction will commence in late 2020.

QPAC was awarded \$1.067 million (excluding GST) from the Arts Queensland administered Arts Infrastructure Investment Fund for a refit of part of the Concert Hall, Tony Gould Gallery and some public areas including various foyer spaces. Lighting upgrades within this project have reduced QPAC's carbon footprint and provided significant energy savings through the introduction of sustainable LED lighting. The project is nearing completion with the Concert Hall refit now complete and only the installation of lighting for the Tony Gould Gallery and public areas yet to be finalised. This was an initial step for upgrading lighting with further upgrades required to the Centre's remaining theatres and public areas to replace redundant theatre lighting and allow a complete shift to LED bulbs.

Creative People

Foster leadership, collaboration and entrepreneurship

- Developing an innovative and creative workforce while promoting respect and integrity
- Improving continually in expertise, rigor and efficiency to remain responsive to change and opportunity
- Encouraging partnerships as an approachable and knowledgeable arts leader

Performance Indicator	2018-2019 Target	2018-2019 Actual	2019-2020 Target	2019-2020 Actual
Venue utilisation* ¹ <i>How efficiently we operate our theatres</i>	84%	88%	84%	61% ⁵
Revenue earned from commercial or private sources* ² <i>How entrepreneurial we are</i>	85%	86%	85%	71% ⁶
Sustainable business growth ³	Positive	Positive	Positive	Negative ⁷
Staff learning and development ⁴ <i>The extent of our learning</i>	n/a	n/a	100%	100%

* SDS efficiency measures

1. Total number of days booked in four main venues, calculated as percentage of 365 days.
2. Total non-government revenue earned or sourced calculated as percentage of total annual revenue.
3. Actual gross revenue compared with previous years, represented as a positive or negative result.
4. This is a new measure, included from FY 2019-2020. Calculated as the total number of employees who undertook a QPAC course, calculated as percentage of total number of employees.
5. Prior to closure of the theatres due to COVID-19, QPAC was tracking towards 85 per cent venue utilisation (including cancelled or postponed events impacted by COVID-19) which would have seen it exceed the 2019-2020 target.
6. Variation due to cessation of business in March due to COVID-19 resulting in lost commercial revenues combined with the accelerated payment of half the 2020-2021 Grant into the current financial year.
7. Variation due to cessation of business in March due to COVID-19 resulting in significantly reduced revenue.

Our People

A connected and informed staff makes for an effective team and over the last year QPAC developed an internal communications strategy for keeping staff informed of QPAC's operational direction and business developments. This strategy was timely given the commencement of the NPAV project and precinct infrastructure activities as well as operational and business developments that needed to be shared widely across teams. From February, communications to staff incorporated a full suite of internal communications channels including regular Chief Executive updates via all staff emails, Chief Executive presentations to all staff and *The Weekly Wellness* staff newsletter emails coordinated by the People and Safety Team with input from across the organisation.

With staff wellbeing front of mind, priority was placed on developing acceptable workforce accommodation and business solutions in response to major infrastructure construction works both on and off-site during 2019-2020. With the commencement of the NPAV project, workplace accommodation relocations were implemented in stages to minimise impact on workflow. Effective planning has enabled QPAC to

accommodate all staff on-site even during construction. The organisation has worked to find innovative business solutions to achieve this such as relocating storage off-site to allow for NPAV early works.

The closure of theatres and the subsequent ongoing cancellations of performances due to COVID-19 dictated major changes for the large majority of QPAC staff. The immediate result of theatre closures was a quick turnaround to remote working for employees as well as the cancellation of shifts available for event-based staff. During this time QPAC supported employees in the following ways:

- Paid rostered Casual, Flexible Part time and Variable Part time employees to published rosters for the period of 13 March to 29 March 2020.
- For the period of 30 March to 30 April 2020, paid all Casual, Flexible Part time and Variable Part-time employees who were not required to work because of the COVID-19 restrictions, a pro-rata payment based on their average hours worked in the preceding 12 months prior to 22 March 2020.
- From 1 May 2020, allowed employees early access to accrued Long Service Leave balances.

- Provided employees with supporting documentation to assist with applications to Job Seeker.
- Provided free confidential counselling support through our Employee Assistance Program.
- Implemented a *Health and Wellness* weekly newsletter to help staff feel connected to QPAC and each other during the isolation period of COVID-19.

QPAC maintains a consistent approach to developing an innovative and creative workforce through its dedicated Leadership Development Programs. This program allows for emerging and current leaders at QPAC to take part in classroom style sessions, online learning modules, videos, self-assessments and have access to regularly refreshed, research-based content.

In 2019-2020, QPAC continued to support current and emerging leaders to transition to more complex leadership roles through the three levels of Leadership Development programs offered. Outcomes from this program in 2019-2020 included:

- 38 managers attended regular reconnect meetings to discuss and exchange leadership strategies, ideas and experiences to further embed concepts and strategies learnt in the two-day workshop the previous year.
- 47 emerging leaders/supervisors attended a one-day workshop – *The 6 Critical Practices for Leading a Team*.
- 60 emerging leaders who had completed the one-day workshop in the previous year, attended regular reconnect meetings to exchange team leadership strategies, ideas and experiences.
- 19 individual contributors attended a two-day program – *The 7 Habits of Highly Effective People*.
- Several members of the Executive Team completed *The Leadership Circle 360* assessment and participated in an individual coaching session with their certified practitioner/coach of choice.

As part of QPAC's work to provide opportunities for the next generation of First Nations arts leaders, First Nations staff participated in a variety of professional development opportunities specific to their area of work including Big Sound 2019 workshops and presentations, State Library of Queensland's Minya Birran language workshops and training programs, Blackcard cultural tours of the Cultural Precinct, and Creative Alliance South East Queensland First Nations Residency, Quandamooka. QPAC staff also volunteered at Musgrave Park Family Fun Day, Booin Gari, Quandamooka Festival and Brisbane Pride Day.

Continuous Improvement of Ticketing Experience

QPAC is about experience: a first-time theatre-goer in awe of stagecraft; a balletomane seeing their favourite dancer perform *Swan Lake*; a fan reduced to tears, or laughter, through a moving monologue; a first date spent singing along at a much-loved musical; a young child

captivated by a jaw-dropping circus act. QPAC aims to deliver a memorable experience throughout the patron journey, and in many cases that experience begins with the purchase of a ticket.

QPAC is committed to its ticket process being more than just a transactional activity, rather it aims to deliver an excellent customer experience.

QPAC's QTIX aims to achieve this for its customers and clients by implementing technologies to its ticketing platform that will be driven by information and analytics not just providing data. This will enable QTIX to better meet audience needs, increase business efficiencies and expand its client base. It seeks to embody the notion of servicing customers, not just patrons, and in doing so be prepared to embrace their living and working environment empathetically to understand their engagement points and expectations. To allow for continual improvement, QPAC regularly scopes ticketing options to enable better customer analysis and a more flexible and agile approach to meet promoter and audience needs. A recent ticketing tender process did not identify a suitable solution that met current and future needs.

Integration with TickX, a system allowing bookers to purchase tickets through QPAC ticketing from a promotor's website, was investigated on behalf of Watchtower Productions for the January season of *The Book of Mormon*. Although, due to the complexity of the integration, it was unable to be implemented in time for the show's QPAC season, the work that was undertaken and subsequent developments by TickX, improve the prospects of integration for other promoters and events in future if desired.

QPAC has also been exploring a range of buy now, pay later interest-free payment options for ticket buyers given the rise in popularity of such systems. The ZipPay payment solution was selected for trial and integration is nearing completion. It is expected such a system will increase the average number of tickets sold per transaction and improve the rate of conversion from browsing to purchase.

New barcode scanner software has been successfully implemented for QTIX clients, delivering a cleaner entry experience for patrons and staff. Access control/scanning is an important service QTIX provides to its clients, especially galleries and museums, allowing them to measure visitation numbers on a daily basis. Approximately 407,353 scans have been registered across more than 4,573 performances since August 2019 when the new barcode scanner software was implemented.

Public Health Directions made in response to COVID-19 require QPAC collect contact and attendance details for all attending patrons and to store this information securely for 56 days. For new online bookings, web developments were made to capture the contact

information of patrons during the booking process with QTIX staff using a similar online form for new bookings processed via the box office or call centre. To capture all guest contact details of past bookings, an email campaign was designed to request all attendee contact details prior to their performance date. Further planning was undertaken regarding a similar system for QPAC's food and beverage outlets and for QTIX Client Managers to offer to external ticketing clients to support their data collection and storage requirements.

Digital Initiatives

Physical and cyber security initiatives to protect QPAC visitors, operations and data integrity are a high priority and an area of major focus for the organisation. A key outcome in this area is the installation of Reseller Detection Software which sits on QPAC, QTIX and Canberra Theatre Centre websites. QPAC has seen a positive reduction in charge-back and resold tickets due to various criteria being scored at different levels, with a combination of these criteria increasing the likelihood of reaching the threshold which restricts the ability to transact online. While the system continues to block suspicious transactions, QPAC developers are constantly monitoring activity and building on the software to overcome new reseller tactics such as creating new accounts on different computers and using different payment methods. Daily review of the logs and reports aims to identify new accounts which are then tagged as soon as possible.

With the aim of eventually introducing a free public access Wi-Fi network across the Centre, QPAC has scoped the installation of a digital backbone. Additional general access Wi-Fi points have been deployed in

many areas as a first stage of the project which, once complete, will allow staff secure access to corporate systems from anywhere in the building. Additional features and functionality will be rolled out as required. New fibre cable and cabinet upgrades were planned for some of QPAC's offices but have been delayed due to COVID-19.

Tourism Opportunities

As one of the Asia-Pacific Region's largest performing arts centres, QPAC plays a significant role in Brisbane's cultural tourism sector. QPAC consistently contributes to Brisbane's reputation as an arts and culture hub through its annual program of large-scale touring musicals, the International Series, national and international artists and as the performance home of Queensland's State Companies.

QPAC recognises the growth opportunities presented by Queensland's tourism markets, particularly cultural tourists from the Asia-Pacific Region, building on the 30 per cent of QPAC's patrons who currently come from outside of Brisbane. The organisation has taken part in several tourism industry forums and workshops, to inform a review of its tourism strategy with a visitation growth roadmap drafted and reviewed in December 2019.

To strengthen its relationship with the tourism industry and to demonstrate the importance of cultural tourism, in November QPAC took part in the annual Queensland Tourism Industry Council (QTIC) awards. QPAC sponsored the presentation of two live performance acts by Company 2 and Tripod during the event.

SUMMARY OF FINANCIAL PERFORMANCE

QPAC's financial results were, at the end of February 2020, projected to exceed the original balanced budget target for the year. The announcement by The National Cabinet on 15 March of the prevention of non-essential static gatherings of more than 500 people had an immediate impact leading to productions being cancelled or rescheduled and consequent mass ticket refunds. Self-generated revenue streams reduced to minimal levels. The Financial Statements reflect the significant financial impact of the COVID-19 pandemic and specific information is provided in Note G1-1. Explanations of major variances against the original budget are provided in Note G1-2.

QPAC's reduced operations were sustained by accumulated financial reserves until the receipt of \$4.741 million in May for an initial insurance claim and the receipt in early June of a \$5.2 million advance of half of the 2020-2021 operating grant. Controls were implemented to minimise expenditure including the suspension or cancellation of a range of major projects. Employee expenses were impacted in the final quarter by the cessation of payments to casual employees from 1 May due to no shifts being available.

QPAC reported an operating surplus of \$4.544 million from total income of \$65.533 million for 2019-2020 (2018-2019: \$83.649 million). The surplus reflects the effect of the receipt of insurance funds of \$4.741 million and the grant advance of \$5.2 million in the final quarter. The level of total income is largely comprised of revenues from contracts with customers which amounted to \$33.851 million, a reduction of \$26.747 million compared to 2018-2019 partially due to COVID-19 related cancellations and rescheduling of performances across all venues from mid-March. The original budget for the year was based on an extensive and diverse program including five major commercial seasons: *School of Rock*, *Muriel's Wedding the Musical*, *Chicago*, *The Book of Mormon* and *Charlie and the Chocolate Factory* (cancelled).

Rental income, revenues from ticketing commissions and charges, sales of food and beverage and income from services provided to commercial hirers (Note C1-1) reflected relatively strong levels of activity until mid-March. The value of rental concessions provided to Queensland Government subsidised cultural organisations, charitable organisations, Government Departments and educational institutions was \$0.772 million in 2019-2020 (2018-2019: \$1.299 million).

The proportion, type and timing of QPAC entrepreneurial presentations and the QPAC International Series influenced the differentials to the levels of revenues and expenses compared to the previous financial

year and these are detailed in Notes C1-1 and C2-2 of the Financial Statements. In particular, prior year comparatives of project income and related cost of services (non labour) between years are affected by relatively high levels of income and expenditure arising from the presentation of a major co-production in 2018-2019. Cancellations and re-scheduling from mid-March, including the International Series presentation of the Paris Opera Ballet, further affected the comparatives.

Grants, contributions and donations amounting to \$25.779 million (see detail in Note C1-2) includes the operating grant of \$16.167 million which incorporates the \$5.2 million advance of half of the 2020-2021 operating grant as a COVID-19 cash flow mitigation measure. The contribution by Arts Queensland of rent below fair value of \$7.523 million for the use of the premises by QPAC in the Cultural Precinct is also recognised. There is a corresponding rental expense for the same amount (see Note C2-2). Arts Queensland has also contributed \$1.441 million by way of a debt waiver to assist with the financial impacts of COVID-19.

Donations of \$0.231 million in 2019-2020 were impacted by COVID-19, however the significant decline compared to the prior year was due to the receipt in 2018-2019 of a single donation of \$2 million. This donation has been quarantined in QPAC's Building Development Reserve (Note E1) to be applied towards QPAC's contribution to the new performing arts venue.

The \$4.741 million of proceeds from QPAC's initial insurance claim form the major part of the \$5.903 million reported as Other Income (see Note C1-3).

The liquidity risk was managed through the combination of insurance claims, the grant advance and expenditure controls to maintain sufficient cash balances to sustain essential business operations. The overall effect was an increase in cash and cash equivalents from \$17.832 million in June 2019 to \$22.964 million at 30 June 2020. This includes \$6.039 million set aside in the donations fund. Cash balances are required to back up general reserves detailed in Note E1 and listed in the equity section of the Statement of Financial Position.

QPAC's general reserves (as in Note E1) are set aside for specific purposes and amounted to \$19.455 million at 30 June 2020 and increased by \$4.389 million compared to the \$15.066 million of the previous year. This increase equates the aggregate level of the general reserves to the level of working capital and is below an upper parameter (specified in Queensland Treasury's Financial Reporting Requirement 4 F) being the level of the Operating Result from Continuing Operations for

2019-2020. The general reserves include \$6.039 million of funds received in the Queensland Performing Arts Trust Donations Fund and allocated towards QPAC's required \$25 million contribution to the construction of the New Performing Arts Venue (Building Development Reserve). These funds are held in a separate bank account for that purpose. The aggregate of other general reserves is \$13.416 million available for a range of specific purposes and collectively are available to sustain essential business operations.

Going Concern

The letter dated 20 May from the State Treasurer of Queensland provides the Board assurance that QPAC is a going concern and commits to provide the necessary support. The letter from the Minister dated

22 May endorsed the meeting with the Treasurer and directed that \$5.2 million of the 2020-2021 operating grant be brought forward on condition of maintaining the workforce (permanent and term). The letter also endorsed a review of QPAC's financial sustainability by Queensland Treasury Corporation (QTC). The QTC review involved the development of projections based on a range of scenarios and this analysis forms the basis of the dialogue with Treasury for further funding support. QPAC is currently using accumulated financial resources and the balance of the 2020-2021 operating grant to sustain essential business operations. Insurance claims are being submitted for evaluation on a monthly basis and plans are being developed to return to material levels of trading in the second half of the financial year.

QUEENSLAND PERFORMING ARTS TRUST FINANCIAL STATEMENTS

For the Year Ended 30 June 2020

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

		2020 Actual \$'000	2020 Original Budget \$'000	2020 Budget Variance* \$'000	2019 Actual \$'000
OPERATING RESULT	<i>Note</i>				
Income					
Revenue from contracts with customers (2019: Revenue from service activities)	<i>C1-1</i>	33,851	46,048	(12,197)	60,598
Grants, contributions, and donations	<i>C1-2</i>	25,779	18,185	7,594	21,989
Other income	<i>C1-3</i>	5,903	2,147	3,756	1,062
Total Income		<u>65,533</u>	<u>66,380</u>	<u>(847)</u>	<u>83,649</u>
Expenses					
Employee expenses	<i>C2-1</i>	32,162	33,912	1,750	33,082
Supplies and services	<i>C2-2</i>	27,024	31,019	3,995	42,897
Depreciation and amortisation		1,157	1,099	(58)	1,017
Other expenses	<i>C2-3</i>	646	350	(296)	564
Total Expenses		<u>60,989</u>	<u>66,380</u>	<u>5,391</u>	<u>77,560</u>
Operating Result		<u>4,544</u>	<u>-</u>	<u>4,544</u>	<u>6,089</u>
Other Comprehensive Income					
<i>Items that will not be reclassified subsequently to operating result:</i>					
Increase in asset revaluation surplus	<i>D4-5</i>	221	-	221	-
<i>Items that will be reclassified subsequently to operating result:</i>					
Unrealised forward exchange contract loss		-	-	-	6
Total Other Comprehensive Income		<u>221</u>	<u>-</u>	<u>221</u>	<u>6</u>
Total Comprehensive Income		<u>4,765</u>	<u>-</u>	<u>4,765</u>	<u>6,095</u>

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

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2020

		2020 Actual	2020 Original Budget	2020 Budget Variance*	2019 Actual
		\$'000	\$'000	\$'000	\$'000
ASSETS	<i>Note</i>				
Current Assets					
Cash and cash equivalents	<i>D1</i>	22,964	15,709	7,255	17,832
Receivables	<i>D2</i>	127	2,906	(2,779)	2,203
Inventories		304	336	(32)	376
Prepayments and other current assets	<i>D3</i>	306	213	93	2,420
Total Current Assets		<u>23,701</u>	<u>19,164</u>	<u>4,537</u>	<u>22,831</u>
Non-Current Assets					
Right-of-use asset		71	-	71	-
Intangibles	<i>D5</i>	483	368	115	702
Property, plant and equipment	<i>D4</i>	12,660	12,909	(249)	12,891
Total Non-Current Assets		<u>13,214</u>	<u>13,277</u>	<u>(63)</u>	<u>13,593</u>
TOTAL ASSETS		<u>36,915</u>	<u>32,441</u>	<u>4,474</u>	<u>36,424</u>
LIABILITIES					
Current Liabilities					
Payables	<i>D6</i>	2,021	5,723	3,702	5,679
Accrued employee benefits	<i>D7</i>	1,723	1,965	242	1,726
Unearned income	<i>D8</i>	34	-	(34)	-
Contract liability (Unearned revenue)	<i>D9</i>	439	600	161	360
Lease liability		29	-	(29)	-
Total Current Liabilities		<u>4,246</u>	<u>8,288</u>	<u>4,042</u>	<u>7,765</u>
Non-Current Liabilities					
Lease liability		42	-	(42)	-
Total Non-Current Liabilities		<u>42</u>	<u>-</u>	<u>(42)</u>	<u>-</u>
TOTAL LIABILITIES		<u>4,288</u>	<u>8,288</u>	<u>4,000</u>	<u>7,765</u>
NET ASSETS		<u>32,627</u>	<u>24,153</u>	<u>8,474</u>	<u>28,659</u>
EQUITY					
Contributed equity		1,033	1,033	-	1,033
Accumulated surplus		5,568	7,110	(1,542)	6,210
Asset revaluation surplus	<i>D4-5</i>	6,571	6,350	221	6,350
Forward exchange contract reserve		-	6	(6)	-
General reserves	<i>E1</i>				
- Building development		6,039	588	5,451	6,000
- Equipment replacement		4,271	4,271	-	4,271
- Commercial development		3,000	3,000	-	3,000
- Working capital		6,145	1,795	4,350	1,795
TOTAL EQUITY		<u>32,627</u>	<u>24,153</u>	<u>8,474</u>	<u>28,659</u>

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated Surplus		Asset Revaluation Surplus (Note D4-5)		General Reserves (Note E1)		Contributed Equity		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Balance 1 July - As Previously Reported	6,210	5,783	6,350	6,350	15,066	9,398	1,033	1,033	28,659	22,564
Adoption of new Accounting Standards (Note B2-1)	(797)	-	-	-	-	-	-	-	(797)	-
Balance 1 July - As Restated	5,413	5,783	6,350	6,350	15,066	9,398	1,033	1,033	27,862	22,564
Operating result	4,544	6,089	-	-	-	-	-	-	4,544	6,089
Other comprehensive income										
– Increase in asset revaluation surplus	-	-	221	-	-	-	-	-	221	-
– Unrealised forward exchange contract gain/(loss)	-	-	-	-	-	6	-	-	-	6
Total Comprehensive Income for the Year	4,544	6,089	221	-	-	6	-	-	4,765	6,095
Transfers between reserves	(4,389)	(5,662)	-	-	4,389	5,662	-	-	-	-
Balance 30 June	5,568	6,210	6,571	6,350	19,455	15,066	1,033	1,033	32,627	28,659

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

		2020 Actual	2020 Original Budget	2020 Budget Variance*	2019 Actual
		\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities	<i>Note</i>				
Inflows					
Revenue from contracts with customers (2019: Revenue from service activities)		36,766	45,848	(9,082)	58,593
Grants, contributions, and donations		16,395	10,576	5,819	14,410
Interest		571	991	(420)	1,019
GST collected on sales		2,998	4,055	(1,057)	4,777
GST input tax credits received		2,026	2,185	(159)	2,755
Other income		5,290	1,136	4,154	787
Outflows					
Employee expenses		(32,165)	(33,922)	1,757	(33,341)
Supplies and services		(20,705)	(23,545)	2,840	(35,710)
GST paid on purchases		(1,791)	(2,200)	409	(2,861)
GST paid to Australian Taxation Office		(3,514)	(4,035)	521	(4,908)
Net Cash Provided by/ (used in) Operating Activities	<i>CF-1</i>	<u>5,871</u>	<u>1,089</u>	<u>4,782</u>	<u>5,521</u>
Cash Flows from Investing Activities					
Payments for plant and equipment		(750)	(1,000)	250	(1,459)
Proceeds from sale of plant and equipment		1	-	1	-
Loans receivable repaid/(issued)		27	-	27	(338)
Net cash provided by/(used in) investing activities	<i>CF-2</i>	<u>(722)</u>	<u>(1,000)</u>	<u>278</u>	<u>(1,797)</u>
Cash Flows from Financing Activities					
Payments of lease liability		(17)	-	(17)	-
Net cash provided by/(used in) financing activities	<i>CF-3</i>	<u>(17)</u>	<u>-</u>	<u>(17)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		5,132	89	5,043	3,724
Cash and cash equivalents at the beginning of financial year		17,832	15,620	2,212	14,108
Cash and Cash Equivalents at the end of financial year	<i>D1</i>	<u>22,964</u>	<u>15,709</u>	<u>7,255</u>	<u>17,832</u>

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

NOTES TO STATEMENT OF CASH FLOWS

CF-1	Reconciliation of Operating Result to net cash (used in) provided by Operating Activities	2020 \$'000	2019 \$'000
	Operating Surplus	4,544	6,089
	Adoption of new Accounting Standards (Note B2-1)	(797)	-
	<i>Non-cash items included in operating result:</i>		
	Depreciation and amortisation	1,157	1,017
	(Gain)/Loss on disposal of property, plant and equipment	(1)	17
	(Increase)/decrease in fair value of loans receivable	211	100
	<i>Change in Assets and Liabilities:</i>		
	(Increase)/decrease in receivables	1,603	(1,053)
	(Increase)/decrease in inventories	72	(60)
	(Increase)/decrease in prepayments and other current assets	2,114	(580)
	(Increase)/decrease in GST input tax credits receivables	235	(106)
	Increase/(decrease) in GST payables	(515)	(131)
	Increase/(decrease) in payables	(2,862)	687
	Increase/(decrease) in accrued employee benefits	(3)	(259)
	Increase/(decrease) in contract liability and unearned revenue	113	(200)
	Net Cash provided by (used in) Operating Activities	<u>5,871</u>	<u>5,521</u>

CF-2 Non-Cash Investing and Financing Activities

During the year, QPAC entered into a lease contract for a warehouse which resulted in recognising a right-of-use asset and lease liability in accordance with the recognition and measurement requirements of AASB 16. There were no other non-cash investing and financing activities occurred during the year.

CF-3 Changes in liabilities arising from financing activities

2020	Opening Balance	Non-Cash Changes New Leases Acquired	Cash Flows Cash Repayments	Closing Balance
Lease Liabilities	-	88	(17)	71
Total	-	88	(17)	71

SECTION 1

ABOUT QPAC

A1 QPAC INFORMATION

A1-1 General Information

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

QPAC is a charity registered under the *Australian Charities and Not-for-profits Commission Act 2012* and is also a Deductible Gift Recipient entity.

The head office and principal place of business of QPAC is 100 Grey Street, South Brisbane, Qld 4101.

A1-2 Objectives and Principal Activities of QPAC

The objectives of QPAC are to produce, present, and manage the performing arts in the Queensland Performing Arts Centre, and elsewhere, as well as to promote and encourage either directly or indirectly the knowledge, understanding, appreciation, enjoyment of and participation in the performing arts.

QPAC is partly funded for the outputs it delivers by grants received from Arts Queensland. It also provides services on a fee for service basis including venue rental, production services, ticket sales, marketing services and equipment hire.

A1-3 Authorisation of Financial Statements for Issue

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

SECTION 2

FINANCIAL STATEMENTS PREPARATION

B1 BASIS OF FINANCIAL STATEMENTS PREPARATION

B1-1 Compliance with Prescribed Requirements

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

These Financial Statements are general purpose Financial Statements and have been prepared on an accrual basis except for the Statement of Cash Flows which is prepared on a cash basis in accordance with Australian Accounting Standards and Interpretations. In addition, the Financial Statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019 and other authoritative pronouncements.

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

B1-2 The Reporting Entity

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

B1-3 Presentation

Currency and Rounding

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

Comparative Figures

Comparative figures and disclosures reflect the audited 2018-2019 Financial Statements.

Classification between Current and Non-current

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

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

B1-4 Basis of Measurement

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

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

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

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

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

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

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

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

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

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

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

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

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business. This approach is relevant to the fair value measurement of land and buildings. Refer to Note D4-4 for further details.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current/depreciated replacement cost methodology. This approach is relevant to fair value measurement of heritage and cultural assets. Refer to Note D4-4 for further details.
- The income approach converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts. This approach is relevant to the fair value measurement of loans receivable. Refer to Note D2 for further details.

B1 BASIS OF FINANCIAL STATEMENTS PREPARATION *(continued)***B1-4 Basis of Measurement** *(continued)***Present Value**

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

Net Realisable Value

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

B1-5 Financial Instruments**Financial Instruments – Initial recognition and Subsequent Measurement**

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

(i) Financial Assets**Initial Recognition and Measurement**

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and QPAC's business model for managing them. QPAC initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

QPAC's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost and financial assets at fair value through profit or loss are the two categories most relevant to QPAC.

Financial assets at amortised cost (debt instruments)

QPAC measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B1 BASIS OF FINANCIAL STATEMENTS PREPARATION *(continued)***B1-5 Financial Instruments** *(continued)*

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

QPAC's financial assets at amortised cost includes cash and cash equivalents and trade receivables. Refer to Notes D1 and D2.

Financial assets at fair value through profit or loss

QPAC's financial assets at fair value through profit or loss include financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in the profit or loss.

QPAC's financial assets at fair value through profit or loss includes loans receivable. Refer to Note D2.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from QPAC's Statement of Financial Position) when:

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

When QPAC has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, QPAC continues to recognise the transferred asset to the extent of its continuing involvement. In that case, QPAC also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that QPAC has retained.

Impairment of Financial Assets

Further disclosures relating to impairment of financial assets are provided in Note D2.

(ii) Financial Liabilities

QPAC's financial liabilities relate to payables. Refer to Note D6.

(iii) Offsetting

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

B1-6 Taxation

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

B2 NEW AND REVISED ACCOUNTING STANDARDS ADOPTED DURING THE YEAR

The following relevant Australian Accounting Standards and Interpretations issued or amended and applicable for the first time for financial year ended 30 June 2020 have been implemented and applied accordingly.

B2-1 AASB 15 Revenue From Contracts With Customers and AASB 1058 Income of Not-for-profit Entities**Applying AASB 1058 Income of Not-for-profit Entities**

AASB 1058 outlines the requirements for income recognition by not-for-profit entities (NFPs). Together with the new revenue standard, AASB 15 *Revenue from Contracts with Customers*, AASB 1058 supersedes all income recognition requirements for private sector NFPs, and most of the requirements for public sector NFPs previously contained in AASB 1004 *Contributions*.

The key principles of AASB 1058 follows:

- The standard only applies to income on transactions where the consideration to acquire an asset is significantly less than fair value, principally to enable the NFP to further its objectives;
- Assets acquired with this objective are recognised in accordance with accounting standards for the relevant asset (e.g. AASB 116 for PPE or AASB 138 for intangibles) at fair value, otherwise they are measured at 'cost';
- The credit entry is only recognised as income under AASB 1058 if it is not:
 - Related to an asset received in order to acquire or construct a recognisable non-financial asset,
 - A contribution by owners,
 - Revenue under AASB 15,
 - A financial instrument under AASB 9,
 - A provision under AASB 137, or
 - A lease liability under AASB 16.
- However, right-of-use assets subject to peppercorn leases are recognised at 'cost', unless the NFP chooses to measure these (all within a class) at fair value under AASB 13 *Fair Value Measurement*;
- It is only mandatory for government entities to recognise and measure volunteer services if the fair value can be reliably measured and the services would have been purchased if they had not been donated; and
- If an NFP receives cash or a financial asset to acquire or construct a recognisable non-financial asset (PPE), the NFP recognises a liability which is recognised as income as or when the entity satisfies its obligation to purchase or construct the non-financial asset.

Applying AASB 15 Revenue from Contracts with Customers

When all other possibilities for recognising the 'credit entry' have been exhausted, NFPs will lastly need to assess whether the transaction can be accounted for as revenue from a contract with a customer under AASB 15.

In determining whether AASB 15 should be applied:

- There must be a contract with a customer to provide goods or services, but these need not be provided to the customer directly, but instead can be provided to third party beneficiaries on the customer's behalf;
- The contract must create enforceable rights and obligations; and
- The contract must include promises to deliver goods and services that are 'sufficiently specific', which requires judgement.

QPAC applied the income accounting standards from 1 July 2019, retrospectively with the cumulative effect of initially applying these standards recognised at the date of initial application as an adjustment to the opening balance of accumulated surplus. Under this transition method, QPAC elected to apply these standards retrospectively only to contracts and transactions that are not completed contracts at the date of initial application.

B2 NEW AND REVISED ACCOUNTING STANDARDS ADOPTED DURING THE YEAR *(continued)***B2-1 AASB 15 Revenue From Contracts With Customers and AASB 1058 Income of Not-for-profit Entities**
*(continued)***Impact on Adoption of AASB 1058 and AASB 15***Special purpose grant*

On 29 April 2019, QPAC received a special purpose grant amounting to \$1,567,000 from the State Government of Queensland to fund two projects within the QPAC venue:

- Project 1: For the upgrade of the lighting fixtures amounting to \$1,067,000; and
- Project 2: For the concept design of public foyer and workplace office accommodation and undertake a functional audit of operational infrastructure amounting to \$500,000.

In accordance with AASB 1004, the full amount of \$1,567,000 was recognised as income for the year ended 30 June 2019 (refer to Note C1-2). On adoption of the new income accounting standards, QPAC determined that the special purpose grant is accounted as follows:

Project 1

The funding is accounted under AASB 1058 as the grant received is to construct a recognisable non-financial asset to be retained by QPAC. Therefore, on 1 July 2019, \$296,564 of this grant was reclassified to unearned income (liability) with a corresponding debit to accumulated surplus. The unearned income is subsequently recognised as income as or when QPAC satisfies its obligation to upgrade the venue lighting.

Project 2

The funding is accounted under AASB 15 as the projects have been identified as having sufficiently specific performance obligations under an enforceable agreement. At 1 July 2019, none of these projects have been started. Therefore, on 1 July 2019, \$500,000 was reclassified to contract liability with a corresponding debit to accumulated surplus. The contract liability is subsequently recognised as revenue as or when QPAC satisfies its performance obligations under the grant agreement.

Other grants

Grants that are considered unenforceable and/or having no sufficiently specific performance obligations are recognised as income on recognition of the financial asset under AASB 1058. This has not significantly changed from previous accounting policy.

B2-2 AASB 16 Leases

AASB 16 supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases – Incentives*, and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Statement of Financial Position.

Australian Accounting Standards generally require NFPs to measure the 'asset' side of a grant/donation contract at fair value if the consideration given for the asset is significantly less than fair value in order to enable the NFP to further its objectives. This includes the right-of-use (ROU) asset in a 'peppercorn lease' recognised by NFP lessees. The Australian Accounting Standards Board removed this requirement in December 2018. Amending standard AASB 2018-8 *Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-profit Entities*, now requires these ROU assets to be measured at 'cost' (i.e. the default measurement under AASB 16 for all entities), but permits a choice to measure them at fair value under AASB 13 *Fair Value Measurement*.

Lessor accounting under AASB 16 is substantially unchanged from AASB 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in AASB 117. Therefore, AASB 16 does not have an impact for leases where QPAC is the lessor.

B2 NEW AND REVISED ACCOUNTING STANDARDS ADOPTED DURING THE YEAR *(continued)***B2-2 AASB 16 Leases** *(continued)*

QPAC adopted AASB 16 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. QPAC elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 July 2019. Instead, QPAC applied the standard only to contracts that were previously identified as leases applying AASB 117 and IFRIC 4 at the date of initial application. QPAC also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Impact on Adoption of AASB 16

QPAC leases the Queensland Performing Arts Centre provided by Arts Queensland which is considered as a peppercorn lease type arrangement. This peppercorn lease is recognised in the profit and loss as a contribution revenue with a corresponding rental expense (based on an amount assessed by the State Valuation Service).

On adoption of AASB 16, QPAC elected to measure the right-of-use asset subject to a peppercorn lease at 'cost'. On this basis, the consideration payable as rent if called upon is immaterial and would not require adjustment.

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

In December 2019, QPAC entered into a lease contract for a warehouse to house production equipment. The lease contract has a term of three years with no extension options. This lease is accounted for under the requirements of AASB 16 and has not resulted in material adjustments as at and for the year ended 30 June 2020.

B3 AUSTRALIAN ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following are new/amended accounting standards and interpretations that have been issued, but are not mandatory for financial year ended 30 June 2020 relevant to QPAC. They have not been adopted in preparing the financial statements for the year ended 30 June 2020 and QPAC intends to apply these standards from application date as indicated below. These standards will likely have no impact on the financial statements.

- Amendments to AASB 101 and AASB 108 – Definition of Material (application date of 1 January 2020)
AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors include a definition of 'materiality' which must be applied when judging whether information should be included, or amounts adjusted, in the financial statements. Consequential amendments have also been made to ensure that the definition of 'material' is consistent across all IFRS Standards, as well as the Revised Conceptual Framework (2018) and IFRS Practice Statement 2 Making Materiality Judgements.
- Amendments to AASB 101 – Classification of Liabilities as Current or Non-current (application date of 1 January 2022).

There are four main changes to the classification requirements:

1. The requirement for an 'unconditional' right has been deleted from paragraph 69(d) because covenants in banking agreements would rarely result in unconditional rights;
2. The right to defer settlement must exist at the end of the reporting period. If the right to defer settlement is dependent upon the entity complying with specified conditions (covenants), the right to defer only exists at reporting date if the entity complies with those conditions at reporting date;
3. Classification is based on the right to defer settlement, and not intention (paragraph 73); and
4. If a liability could be settled by an entity transferring its own equity instruments prior to maturity (e.g. a convertible bond), classification is determined without considering the possibility of earlier settlement by conversion to equity, but only if the conversion feature is classified as equity under AASB 132.

SECTION 3**NOTES ABOUT FINANCIAL PERFORMANCE****C1 INCOME****C1-1 Revenue from Contracts with Customers
(2019: Revenue from Service Activities)**

	2020	2019
	\$'000	\$'000
Rental Income	5,698	7,089
Project income	7,010	20,704
Sales – food and beverage	7,863	12,309
Ticketing commission and charges	5,402	9,647
Services provided to commercial hirers	7,238	9,829
Sponsorship	529	752
Other service revenue	111	268
	<u>33,851</u>	<u>60,598</u>

Accounting Policy – Rental Income

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

Rental income – venues

Rental concessions provided by QPAC to Government subsidised cultural organisations, charitable organisations, government departments and educational institutions, amounted to \$0.772 million (2019: \$1.299 million). These concessions are provided by QPAC in accordance with QPAC's objectives under the *Queensland Performing Arts Trust Act 1977*.

Accounting Policy from 1 July 2019 – Revenue from Contracts with Customers

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

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

Accounting Policy from 1 July 2019 – Revenue from Contracts with Customers (continued)

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

Project income

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

Revenue from sale of food and beverage

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

Ticketing commission

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

Revenue from provision of services

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

Revenue from sponsorships

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

(Sponsorship income was previously included within the 'Other income' line item in the Statement of Comprehensive Income.)

C1 INCOME *(continued)***C1-1 Revenue from Contracts with Customers****(2019: Revenue from Service Activities)** *(continued)***Additional Disclosures**

The adoption of the new income accounting standards did not materially impact the revenue recognition on rental income, project income, sale of food and beverage, ticketing commission, provision of services, and sponsorships.

Commission earned on ticket sales

The gross amount of ticket sales for the year ended amounted to \$65.256 million. This was made up of \$85.535 million sales less refunds of \$18.279 million (2019: \$123.703 million).

Key Judgement: Determining 'sufficiently specific' performance obligations. QPAC applies significant judgement in identifying whether a grant contract contains sufficiently specific performance obligation to be accounted under the requirements of AASB 15.

Key Judgement: Applying AASB 15. In applying the requirements of AASB 15, QPAC applies significant judgement in identifying performance obligations and determining timing when those performance obligations are satisfied.

C1-2 Grants, Contributions, and Donations**Additional Disclosures**

	2020	2019
	\$'000	\$'000
Operating grant	16,167	10,604
Special purpose grant	417	1,567
Contributions below fair value	7,523	7,579
Contributions	1,441	-
Donations	231	2,239
	25,779	21,989

Accounting Policy from 1 July 2019 – Grants and Donations*Grants*

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

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

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

Operating grant

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

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

The adoption of the new income accounting standards from 1 July 2019 did not materially change the revenue recognition policy.

QPAC has received an advance of \$5.2 million from the 2020-2021 operating grant and was recognised on receipt.

Special purpose grant

Refer to Note B2-1 for the impact on the adoption of the new income accounting standards from 1 July 2019.

C1 INCOME (continued)**C1-2 Grants, Contributions, and Donations** (continued)*Donations*

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

Refer to Note B2-1 for the impact on the adoption of the new income accounting standards from 1 July 2019.

Accounting Policy pre 1 July 2019 – Grants, Contributions and Donations

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

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

Contributed physical assets are recognised at their fair value.

Additional Disclosures (continued)*Contributions below fair value*

Contributions below fair value relate to the lease of the Queensland Performing Arts Centre provided by Arts Queensland which is considered as a peppercorn lease type arrangement. For the year ended 30 June 2020, contributions revenue was recognised being the amount below fair value as assessed by the State Valuation Service with a corresponding rent expense (refer to Note C2-2) of the same amount.

Refer to Note B2-2 for the impact on the adoption of AASB 16 from 1 July 2019.

Contributions

QPAC has recognised contribution income of \$1.441 million from Arts Queensland by way of a debt waiver provided to assist with the financial impacts of the COVID-19 pandemic.

C1-3 Other Income

	2020	2019
	\$'000	\$'000
Interest	592	1,027
Investment income	81	35
Forex gain on unwinding of derivatives	211	-
Fair value decline recovery	20	-
Gain on sale of property, plant and equipment	1	-
Insurance claim	4,741	-
Sundry	257	-
	<u>5,903</u>	<u>1,062</u>

Accounting Policy – Other Income*Interest*

Interest is recognised at the time it is earned.

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

This relates to income from loans receivable. Refer to Note D2 for the accounting policy.

Additional Disclosures*Forex gain on unwinding of derivatives*

Refer to Note E2-5 for further details.

Insurance claim

QPAC received an amount of \$4.741 million from the Queensland Government Insurance Fund for business interruption resulting from Government imposed restrictions due to the COVID-19 pandemic.

Sundry income

COVID-19 relief assistance from the Office of the State of Revenue amounted to \$257,243.

C2 EXPENSES

C2-1 Employee Expenses	2020 \$'000	2019 \$'000
Salaries and wages*	27,010	27,981
Employer superannuation contributions	2,693	2,683
Long service leave levy	557	538
Payroll tax	1,501	1,457
WorkCover insurance	374	394
Other employee costs	<u>27</u>	<u>29</u>
	<u>32,162</u>	<u>33,082</u>
Full time equivalent employees	<u>195</u>	<u>331</u>

*Salaries and wages includes \$400,612 of \$1,250 one-off, pro-rata payments for 320.5 full time equivalent employees (announced in September 2019)

Accounting Policy – Employee Expenses*Salaries and wages*

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

Superannuation

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

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

Annual leave

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

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

Long service leave levy

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

**Accounting Policy – Employee Expenses
(continued)***Payroll tax and workers' compensation premiums*

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

Sick leave

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

Additional Disclosures*Key management personnel remuneration*

Key management personnel and remuneration disclosures are detailed in Note F5-3.

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

	2020	2019
	\$'000	\$'000
Cost of services non labour	8,238	21,261
Rental	7,523	7,579
Facilities costs	4,438	4,627
Stock and consumables/materials	2,563	4,013
Administration, office costs and travel	3,446	4,384
Repairs, maintenance and equipment costs	455	612
Contractors, consultants, legal	361	421
	27,024	42,897

Accounting Policy – Supplies and Services

For a transaction to be classified as supplies and services, the value of goods or services received by QPAC must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant.

Additional Disclosures*Rental*

Refer to Note C1-2 for further details on lease of the Queensland Performing Arts Centre provided by Arts Queensland.

Refer to Note B2-2 for the impact on the adoption of AASB 16 from 1 July 2019.

Facilities costs

Arts Queensland, through the Department of Environment and Science, owns and maintains the Queensland Performing Arts Centre premises on behalf of the State of Queensland. QPAC has use of the building and items of fit out, including certain items of plant and equipment that are not performance related, by way of a service level agreement with the Corporate Administration Agency (CAA). As described in Note C1-2, QPAC pays rent below fair value for the use of premises in the Cultural Precinct.

Stock and consumables/materials

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

C2-3 Other Expenses

	2020	2019
	\$'000	\$'000
Other expenses include the following:		
External audit fees (1)	56	54
Insurance (2)	181	180
Bank charges	111	119
Loss on disposal of property, plant and equipment	-	17
Decline in fair value expense (3)	231	100
Sundry	67	94
	646	564

Additional Disclosures

- (1) The amount of external audit fees is as quoted by the Queensland Audit Office. There are no non-audit services included in these amounts.
- (2) Insurance with Queensland Government Insurance Fund was \$150,328 (2019: \$150,000)
- (3) An investment (loan receivable) made by QPAC was assessed and a decline in fair value expense was recognised in the amount of \$231,000.

SECTION 4

NOTES ABOUT FINANCIAL POSITION

D1 CASH AND CASH EQUIVALENTS

	2020	2019
	\$'000	\$'000
Cash on hand and at bank	577	2,294
Deposits at call	22,387	15,538
	<u>22,964</u>	<u>17,832</u>

Accounting Policy – Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions. It also includes liquid investments with short periods to maturity that are convertible readily to cash on hand and have a low risk of change in value.

D2 RECEIVABLES

	2020	2019
	\$'000	\$'000
Current		
Trade Receivables	48	1,651
Allowance for impairment	-	-
	<u>48</u>	<u>1,651</u>
GST receivable	79	314
Loans receivable	-	238
	<u>127</u>	<u>2,203</u>

Accounting Policy – Receivables*Trade receivables*

Trade receivables are classified as financial assets at amortised cost. Refer to Note B1-5 for further details on financial instruments.

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

Trade receivables within terms and expected to be fully collectible are considered of good credit quality based on recent collection history. Credit risk management strategies are detailed in Note E2-3.

Contract asset (accrued income)

Refer to Note C1-1 for the accounting policy.

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

Additional Disclosures*Cash and cash equivalents*

Cash and cash equivalents amounting to \$19.455 million (2019: \$15.066 million) have been set aside as cash backed funding for QPAC's general reserves.

Monies held in trust

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

Interest earned on the monies held in trust is included as 'Other Income' in the Statement of Comprehensive Income. The balance of monies held in trust at 30 June 2020 is \$7.951 million (2019: \$20.748 million).

Accounting Policy – Receivables (continued)*Trade receivables*

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

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

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

The calculations reflect historical observed default rates calculated using credit losses experienced on past sales transactions during the last four years preceding 30 June 2020 for each group. The historical default rates are then adjusted by frequent review and ongoing improvement in the information and collection processes.

Loans receivable

Loans receivable relates to QPAC's investments in commercial programs which are measured at fair value through profit or loss (Level 2). Refer to Note B1-5 for further details on financial instruments.

D2 RECEIVABLES *(continued)***Accounting Policy – Receivables** *(continued)**Loans receivable (continued)*

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

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

Additional Disclosures*Loans receivable*

QPAC recognised in the profit or loss under 'Other expenses' a decline in fair value amounting to \$231,000 during the year (2019: \$100,000). Refer to Note C1-3 for the amount of investment income recognised during the year.

Aging	2020			2019		
	Gross amount \$'000	Loss rate %	Expected credit losses \$'000	Gross amount \$'000	Loss rate %	Expected credit losses \$'000
Current	45	-	-	1,204	-	-
1-30 days overdue	-	-	-	436	-	-
31-60 days overdue	-	-	-	11	-	-
61-90 days overdue	-	-	-	-	-	-
> 90 days overdue	3	-	-	-	-	-
Total	48	-	-	1,651	-	-

D3 OTHER CURRENT ASSETS

	2020 \$'000	2019 \$'000
Contract asset (2019: Accrued income)	110	1,637
Prepayments	196	783
	<u>306</u>	<u>2,420</u>

Additional Disclosures*Contract assets (2019: Accrued income)*

The significant decrease in contract assets during the year is the result of the effect of COVID-19.

Accounting Policy – Contract Assets

Refer to C1-1

D4 PROPERTY, PLANT AND EQUIPMENT**D4-1 Net Book Values**

	2020	2019
	\$'000	\$'000
Buildings		
– at independent valuation	350	350
– less: accumulated depreciation	(58)	(29)
	<u>292</u>	<u>321</u>
Land		
– at independent valuation	<u>4,350</u>	<u>4,350</u>
Leasehold Improvements		
– at cost	1,805	1,805
– less: accumulated depreciation	(1,188)	(1,098)
	<u>617</u>	<u>707</u>
Plant and Equipment		
– at cost	13,485	12,796
– less: accumulated depreciation	(9,172)	(8,504)
	<u>4,313</u>	<u>4,292</u>
Heritage and Cultural Assets (Concert Hall Grand Organ)		
– at independent valuation	2,735	2,640
– less: accumulated depreciation	<u>-</u>	<u>(63)</u>
	<u>2,735</u>	<u>2,577</u>
Motor Vehicles		
– at cost	108	108
– less: accumulated depreciation	(21)	(17)
	<u>87</u>	<u>91</u>
Work in progress – at cost	<u>266</u>	<u>553</u>
Total Property, Plant and Equipment – net book value	<u>12,660</u>	<u>12,891</u>

D4 PROPERTY, PLANT AND EQUIPMENT *(continued)***D4-2 Reconciliation of Property, Plant and Equipment**

2020	Carrying Value at 1 July 2019 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers between classes \$'000	Revaluation \$'000	Depreciation \$'000	Carrying Value at 30 June 2020 \$'000	Fair Value Disclosures
Land	4,350	-	-	-	-	-	4,350	Level 2
Buildings	321	-	-	-	-	(29)	292	Level 2
Leasehold Improvements	707	-	-	-	-	(90)	617	
Plant and Equipment	4,292	-	-	744	-	(723)	4,313	
Motor Vehicles	91	-	-	-	-	(4)	87	
Heritage and Cultural Assets	2,577	-	-	-	221	(63)	2,735	Level 3
Work in Progress	553	469	-	(756)	-	-	266	
Total	12,891	469	-	(12)	221	(909)	12,660	

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

D4-3 Accounting Policy – Property, Plant and Equipment*Recognition thresholds*

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

- Buildings and Leasehold improvements \$10,000
- Land \$1
- Plant and equipment \$5,000
- Heritage and cultural assets \$5,000

Cost of acquisition

Historical cost is used for the initial recording of all acquisitions of property, plant and equipment. Historical cost is defined as the value given as consideration at the date of acquisition plus any incidental costs attributable to the acquisition.

Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition.

D4 PROPERTY, PLANT AND EQUIPMENT *(continued)***D4-3 Accounting Policy – Property, Plant and Equipment** *(continued)**Subsequent measurement and disposal*

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

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

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

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

Depreciation

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

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

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

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

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

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

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

D4 PROPERTY, PLANT AND EQUIPMENT *(continued)***D4-3 Accounting Policy – Property, Plant and Equipment** *(continued)**Impairment*

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

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

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

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

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

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

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

D4-4 Fair Value Measurement

A market indexation assessment was undertaken by an independent API qualified valuer on behalf of Marsh Pty Ltd as at 30 June 2019 and 30 June 2020. There was no material change in the values of the land, buildings. The heritage and cultural asset was revalued as at 30 June 2020 since it was previously valued as at 30 June 2018 by an independent API qualified valuer on behalf of JLT Asset Val Pty Ltd using 'fair value' principles.

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

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

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

D4-5 Asset Revaluation Surplus

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

	Balance 1 July 2019 \$'000	Revaluation Increments \$'000	Revaluation Decrements \$'000	Balance 30 June 2020 \$'000
Land	3,900	-	-	3,900
Buildings	312	-	-	312
Heritage and cultural assets	2,138	221	-	2,359
	6,350	221	-	6,571

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

D5 INTANGIBLE ASSETS**D5-1 Net Book Values**

	2020 \$'000	2019 \$'000
Software at cost	1,721	1,710
less: accumulated amortisation	(1,238)	(1,008)
	483	702

Accounting Policy – Intangible Assets *(continued)**Impairment*

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

Accounting Policy – Intangible Assets*Recognition and measurement*

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

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

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

D5 INTANGIBLE ASSETS (continued)**D5-2 Reconciliation of Intangible Assets**

	Carrying Value at 1 July 2019 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2020 \$'000
Software	702	-	-	12	-	(231)	483

	Carrying Value at 1 July 2018 \$'000	Acquisitions \$'000	Disposals \$'000	Transfers Between Classes \$'000	Revaluation \$'000	Amortisation \$'000	Carrying Value at 30 June 2019 \$'000
Software	800	-	-	112	-	(210)	702

D6 PAYABLES

	2020 \$'000	2019 \$'000
Trade creditors	1,300	2,585
Other creditors	721	2,579
GST payable	-	515
	<u>2,021</u>	<u>5,679</u>

Additional Disclosures

Arts Queensland have waived the payment of outstanding invoices in the amount of \$1.441 million.

The Office of State Revenue has deferred payment of \$0.349 million which is included in the balance of Trade creditors.

Accounting Policy – Payables

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

D7 ACCRUED EMPLOYEE BENEFITS

	2020 \$'000	2019 \$'000
Annual leave	1,457	1,301
Salaries and wages payable	266	425
	<u>1,723</u>	<u>1,726</u>

Accounting Policy – Accrued Employee Benefits

Refer to Note C2-1.

D8 UNEARNED INCOME

	2020	2019
	\$'000	\$'000
Unearned income	34	-
	<u>34</u>	<u>-</u>

Accounting Policy from 1 July 2019 – Unearned Income

This relates to the liability recognised for the grant received to construct a recognisable non-financial asset to be controlled by QPAC in accordance with AASB 1058. Refer to Note B2-1.

Additional Disclosures – 30 June 2020

On application of AASB 1058 the unearned income balance at the beginning of the period amounted to \$296,564 for Project 1, Upgrade Venue Lighting. During the period to 30 June 2020 QPAC has recognised the amount of \$262,238 for this project as income and the balance represents the value of works to be finalised in the next reporting period.

D9 CONTRACT LIABILITY (2019: UNEARNED REVENUE)

	2020	2019
	\$'000	\$'000
Contract liability (2019: Unearned revenue)	439	360
	<u>439</u>	<u>360</u>

Accounting Policy from 1 July 2019 – Contract Liability (2019: Unearned Revenue)

A liability has been recognised for the grant received to undertake projects pursuant to the terms of a contract in accordance with AASB 15. Refer to Note B2-1.

Additional Disclosures – 30 June 2020

On application of AASB 15 the unearned income balance at the beginning of the period amounted to \$500,000 for Project 2 as detailed in Note B2-1. During the period to 30 June 2020 QPAC has recognised the amount of \$154,979 for this project as income and the amount of \$345,021 represents the value of works to be finalised in the next reporting period. The remaining balance of \$93,773 relates to unearned membership revenue.

SECTION 5

RISK MANAGEMENT

E1 GENERAL RESERVES

Nature and Purpose of General Reserves

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

Building development reserve

The balance of this reserve of \$6.039 million represents funds received as donations to the Queensland Performing Arts Trust Donations Fund. These funds have been allocated to contribute towards QPAC's required \$25 million contribution towards the construction of the New Performing Arts Venue (NPAV) to be completed by late 2022 and are held in a separate bank account for that purpose.

Equipment replacement reserve

The balance of this reserve represents funds held for future replacement of QPAC's general equipment needs, including information technology and theatre production equipment. The level of this reserve as at 30 June 2020 represents 41.1% (2019: 44.1%) of the total accumulated depreciation of QPAC's property, plant and equipment.

Commercial development reserve

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

Working capital reserve

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

E2 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES**E2-1 General Objectives, Policies and Processes**

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

	2020	2019
	\$'000	\$'000
Financial Assets		
<i>At amortised cost</i>		
Cash and Cash		
Equivalents	22,964	17,832
Trade receivables	127	1,965
Total	<u>23,091</u>	<u>19,797</u>
<i>At fair value through profit or loss</i>		
Loans receivable	-	238
Total financial assets	<u>23,091</u>	<u>20,035</u>
Financial Liabilities		
Payables	<u>2,021</u>	<u>5,679</u>

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

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

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

There have been no substantial changes in QPAC's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

E2 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)***E2-2 Interest Rate Risk**

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

2020	Floating interest rate \$'000	1 year or less \$'000	Non-interest bearing \$'000	Total \$'000	Weighted average rate %
Financial Assets					
Cash on hand and at bank	555	-	22	577	0.36%
Short-term securities- Deposits at call	-	22,387	-	22,387	1.66%
Receivables	-	-	127	127	-
Financial Liabilities					
Payables	-	-	2,021	2,021	-
2019	Floating interest rate \$'000	1 year or less \$'000	Non-interest bearing \$'000	Total \$'000	Weighted average rate %
Financial Assets					
Cash on hand and at bank	2,152	-	142	2,294	0.43%
Short-term securities- Deposits at call	-	15,538	-	15,538	2.74%
Receivables	-	-	2,203	2,203	-
Financial Liabilities					
Payables	-	-	5,679	5,679	-

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

E2-3 Credit Risk

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

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

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

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

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

E2-4 Liquidity Risk

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

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

E2 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)***E2-4 Liquidity Risk** *(continued)*

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

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

Maturity Analysis

	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	Greater than 1 year \$'000	Carrying amount \$'000
2020					
Financial Assets					
Cash on hand and at bank	577	-	-	-	577
Short-term securities	22,387	-	-	-	22,387
Receivables	124	2	1	-	127
Financial Liabilities					
Payables	736	936	349	-	2,021
Foreign currency hedge liability	-	-	-	-	-
	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	Greater than 1 year \$'000	Carrying amount \$'000
2019					
Financial Assets					
Cash on hand and at bank	2,294	-	-	-	2,294
Short-term securities	15,538	-	-	-	15,538
Receivables	1,965	-	238	-	2,203
Financial Liabilities					
Payables	5,679	-	-	-	5,679
Foreign currency hedge liability	-	465	143	-	608

E2-5 Foreign Currency Exchange Risk

QPAC uses forward exchange contracts to eliminate the risk of foreign currency exchange rate changes. Forward exchange contracts are taken up for the entire amount of the hedged item. There were two forward exchange contracts for US\$100,000 for a musical show and two for EURO797,400 for a cultural show. The performance dates of these shows were affected by the Queensland government directive and restrictions due to COVID-19 and led to the cancellation of these shows. The unwinding of the forward exchange contracts resulted in a realised foreign exchange gain of AUD\$211,000.

E2-6 Net Fair Value

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

SECTION 6**OTHER INFORMATION****F1 EVENTS AFTER THE REPORTING DATE**

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

F2 COMMITMENTS**Capital Expenditure Commitments**

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

	2020	2019
	\$'000	\$'000
Plant and Equipment		
Payable:		
Not later than one year	70	-
Later than one year and not later than five years	20	-
Later than five years	-	-
	<u>90</u>	<u>-</u>

F3 CONTINGENCIES

As at 30 June 2020 there are no material contingent liabilities for QPAC (2019: Immaterial).

F4 REMUNERATION OF TRUST MEMBERS

Remuneration paid or payable to Trust Members is as follows:

	Appointment date	Termination date	2020	2019
			\$'000	\$'000
P.O. Coaldrake	1-Oct-16	-	17	17
L.M. de Souza	10-Nov-16	-	7	7
S.A.M. Pitkin	10-Oct-19	-	3	-
D.A. Power	1-Oct-17	-	5	7
G.B. Richters	10-Oct-19	-	2	-
S.B. Rix	1-Oct-17	-	8	9
M.L. Tabrett	1-Oct-17	-	8	8
Total			<u>50</u>	<u>48</u>

Additional Disclosures

The Chair, Mr P.O. Coaldrake, has donated his board fees during the year and the funds have been applied to the New Performing Arts Venue contribution.

F5 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES

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

F5 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F5-1 Key Management Personnel**

The following details include those positions that had authority and responsibility for planning, directing and controlling the activities of QPAC during 2019-2020 and 2018-2019. Further information on these positions is set out in the body of the annual report under the section relating to Executive Management.

Position	Responsibilities	Current incumbents	
		Contract classification and appointed authority	Date appointed to position (Date resigned from position)
Chief Executive	Responsible for the provision of strong and effective leadership of QPAT and implementation of QPAC's vision to deliver a lifetime of unforgettable live performances for all Queenslanders. The Chief Executive is accountable for achieving the strategic plan in collaboration with the Board, building the reputation and profile of QPAC, managing external and internal operations and providing consistent, high-level strategic advice to the Board on operations, policy and planning. This includes the development and implementation of a strategic plan to advance QPAC's vision, mission, strategies and objectives and to promote revenue, profitability and growth as an organisation.	Employment contract/ terms and conditions specified in the contract/ Governor in Council/ Queensland Performing Arts Trust Act 1977	11-Dec-08
Executive Director – Curatorial	Responsible for creating, managing and implementing the curatorial strategies of QPAC through commercial hiring and producing programs, in addition to programs that fulfil QPAC's commitment to social justice, education, research, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. In addition, responsible for sourcing new opportunities for commercial productions to develop and expand QPAC's capability as a commercial producer.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	01-Jul-18
Executive Director – Business Performance	Responsible for providing strategic advice and support to the Board, Chief Executive and senior management to ensure strategic targets agreed with the Minister in the Strategic and Operational Plans are achieved including setting of QPAC's strategic financial directions, actions and policies reflecting the objectives of QPAC and also leads the delivery of a range of high-level corporate governance functions across the organisation, including a Financial Management Compliance Framework.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	25-May-04
Executive Director – Stakeholder Engagement Strategy	Responsible for strategic planning and government stakeholders in addition to developing and managing innovative and integrated Food and Beverage and Visitor Services strategies to achieve QPAC's strategic goals and organisational priorities. The responsibility also includes leading QPAC's operations and service delivery units and strives to continuously improve the standard of services to ensure stakeholders' needs are satisfied, both now and into the future.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	9-Jun-14
Executive Director – Visitation	Responsible for leading QPAC's Marketing and Ticketing teams and developing and managing strategies designed to maximise and grow audiences and audience reach through ticketing, digital marketing, event marketing, strategic communications, publicity, memberships, advertising, research and insights.	Employment contract/ appointment by Chief Executive/ Queensland Performing Arts Trust Act 1977	20-Jan-14

F5 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F5-2 Accounting Policy – KMP Remuneration**

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

Remuneration packages for KMP comprise the following components:

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

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

F5-3 KMP Remuneration Expense

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

1 July 2019 – 30 June 2020

Position	Short-term employee expenses		Long-term employee expenses \$'000	Post-Employment expenses \$'000	Termination benefits \$'000	Total* \$'000
	Monetary Expenses* \$'000	Non-monetary benefits \$'000				
	Chief Executive	325				
Executive Director – Curatorial (Acting)	199	4	4	26	-	233
Executive Director – Business Performance	184	4	4	27	-	219
Executive Director – Stakeholder Engagement Strategy	202	4	4	26	-	236
Executive Director – Visitation	197	4	4	19	-	224
Total Remuneration	1,107	21	21	136	-	1,285

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

F5 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F5-3 KMP Remuneration Expense** *(continued)***1 July 2018 – 30 June 2019**

Position	Short-term employee expenses		Long-term employee expenses	Post-Employment expenses	Termination benefits	Total*
	Monetary Expenses* \$'000	Non-monetary benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive	306	5	6	37	-	354
Executive Director – Curatorial (Acting)	190	4	4	26	-	224
Executive Director – Business Performance	198	4	4	26	-	232
Executive Director – Stakeholder Engagement Strategy	197	4	4	26	-	231
Executive Director – Visitation	188	4	4	18	-	214
Total Remuneration	1,079	21	22	133	-	1,255

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

F5-4 Related Party Transactions

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

Transactions with people/entities related to KMPs

An accounting firm of which a Trust member is a partner was contracted to provide professional services and advice regarding the presentation of the Financial Statements. The amount paid was \$17,008 (2019: \$nil), and was contracted under standard terms and conditions for procurement of such services.

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

Transactions with other Queensland Government controlled entities

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

QPAC receives facility maintenance, security, cleaning services and utilities from Arts Queensland and QPAC pays for these services. To assist with the financial impacts resulting from the COVID-19 pandemic, Arts Queensland have waived the payment of specific outstanding invoices in the amount of \$1,440,630. Refer to Note D6.

QPAC provides services in the normal course of business and under normal contract terms but charges at concessional rates to other Queensland Government departments and agencies. This includes services for ticketing, theatre hire, production crews and other staffing and charges associated with events at QPAC or other venues to the value of \$870,439. (2019: \$1,135,152). Refer to Note C1-1.

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

QPAC has insurance policies with the Queensland Government Insurance Fund for property and general liability. QPAC received an amount of \$4,740,693 for an insurance claim for business interruption as a result of government restrictions imposed due to the COVID-19 pandemic.

F5 KEY MANAGEMENT PERSONNEL AND REMUNERATION AND DISCLOSURES *(continued)***F5-4 Related Party Transactions** *(continued)*

QPAC received funding of \$107,000 (2019: \$2,044,661) from Queensland Government agencies and departments for specific Arts projects.

Service concession arrangements

QPAC leases the building from Arts Queensland. Refer to Notes B2-2 and C1-2 for further details.

F6 \$25 MILLION REQUIREMENT FOR QPAC TO THE NEW PERFORMING ARTS VENUE (NPAV)

QPAC is to provide a contribution of \$25 million towards the construction of the New Performing Arts Venue (NPAV) to be completed by late 2022. This commitment has been expressed in public statements and has been referenced in correspondence between QPAC and the Minister for the Arts. A Memorandum of Understanding between Arts Queensland, as the owner of the new theatre on behalf of the Government, and QPAC is in the process of being developed to establish the detailed terms and timings of the contribution. QPAC has accumulated \$6.039 million in donations, including from QPAC, towards the contribution target and these funds have been set aside in the Building Development Reserve.

SECTION 7

NOTES ABOUT ACTUAL PERFORMANCE COMPARED TO BUDGET

G1 BUDGETARY REPORTING DISCLOSURES AND SIGNIFICANT FINANCIAL IMPACTS FROM COVID-19

This section contains explanations of major variances between QPAC's actual 2019-2020 financial results and the original budget presented to the Parliament.

G1-1 Significant Financial Impacts – COVID-19 Pandemic

The following significant transactions were recognised by QPAC during the 2019-2020 financial year as a result of the COVID-19 pandemic.

	\$'000
Statement of Comprehensive Income	
<i>Significant expense transactions arising from COVID-19</i>	
Fair value decline of receivables	231
Event production charges	1,387
Obsolete stock	65
	<u>1,683</u>
<i>Significant revenue transactions arising from COVID-19</i>	
Ticket sale commissions and charges refunded	(1,418)
Office of State Revenue refund	257
Operating grant brought forward from financial year 2020-2021	5,200
Outstanding invoices waived by Arts Queensland	1,441
Insurance	4,741
	<u>10,221</u>

Other significant revenue impacts arising from COVID-19

As a result of Event cancellations up to 30 June 2020, revenue from commercial producers for rent and cost recoveries, ticket sale commissions, profits from food and beverage sales and sponsor income calculated to be approximately \$4,260,602 have not been earned. These amounts are not reflected in the significant revenue/expense items above.

	\$'000
Statement of Financial Position	
<i>Significant changes in Assets arising from COVID-19</i>	
Reduction in Receivables	(2,920)
Increase in Cash and Cash Equivalents	3,783
	<u>863</u>
<i>Significant changes in Liabilities arising from COVID-19</i>	
Reduction in Payables – payments to suppliers	(5,131)
Increase in Payables – defer payments to Government agencies	793
Reduction in employee benefits (leave entitlements)	(443)
	<u>(4,781)</u>

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

<i>Revenue from contracts with customers (2019: Revenue from service activities):</i>	A decrease in Revenue from Contracts primarily due to event cancellations which resulted in loss of income from commercial producers for rent and cost recoveries, ticket sale commissions, food and beverage profits and sponsor income of \$4.261 million and \$1.418 million in ticket sale commissions and charges refunded to patrons.
<i>Grants and Contributions:</i>	An increase in Grants and Contributions primarily due to operating grant of \$5.2 million brought forward from financial year 2020-2021 and a contribution income of \$1.441 million from Arts Queensland by way of a debt waiver to assist with the financial impacts of the COVID-19 pandemic.
<i>Other revenue:</i>	An increase in Other Revenue primarily due to the amount received from the insurance claim of \$4.741 million, forward contract exchange gain and rebate from the Office of State Revenue.
<i>Employee expenses:</i>	A decrease in Employee Expenses primarily due to reduction in direct casual employment in production, visitor and hospitality services and food and beverage as result of event cancellations.
<i>Supplies and services:</i>	A decrease in Supplies and Services primarily due to lower event production charges due to event cancellations.
<i>Depreciation:</i>	An increase in Depreciation primarily due to a major venue lighting upgrade commissioned at the beginning of the year.
<i>Other expenses:</i>	An increase in Other Expenses primarily due to a decline in fair value of receivables.

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

<i>Cash:</i>	An increase in Cash due to receipt of proceeds from insurance claims of \$4.741 million and operating grant of \$5.2 million brought forward from financial year 2020-2021, deferral of payments to Government agencies and reduced payments to suppliers.
<i>Receivables:</i>	A decrease in Receivables primarily due to loss of income from commercial producers for rent and cost recoveries, ticket sale commissions, food and beverage profits and sponsor income of \$4.261 million and \$1.418 million in ticket sale commissions and charges refunded to patrons.
<i>Payables:</i>	A decrease in Payables primarily due to reduction in expenses relating to a cancelled major international series event and waived payment of outstanding invoices in the amount of \$1.441 million by a Government agency.
<i>Accrued Employee Benefits:</i>	A decrease in Accrued Employee Benefits primarily due to decreased direct casual employment in production, visitor and hospitality services, and food and beverage.
<i>Reserves:</i>	An increase in reserves due to the operating grant of \$5.2 million brought forward from financial year 2020-2021, a contribution income of \$1.441 million from a Government agency by way of a debt waiver to assist with financial impacts due to COVID-19 pandemic and revaluation increase in heritage cultural asset.

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

<i>Inflows:</i>	An increase in Inflows due to increase in revenue as a result of the insurance claim receipt of \$4.741 million, operating grant of \$5.2 million brought forward from financial year 2020-2021 and waived payment of outstanding invoices in the amount of \$1.441 million with a Government agency offset by a decrease in Revenue from contracts with customers as a result of event cancellations.
<i>Outflows:</i>	A decrease in Outflows primarily due to deferral of payments to Government agencies, reduced employee expenses and supplies and services as a result of event cancellations.

CERTIFICATE OF THE QUEENSLAND PERFORMING ARTS TRUST

For the Year Ended 30 June 2020

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

- (a) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Performing Arts Trust for the financial year ended 30 June 2020 and of the financial position as at the end of that year

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



Peter Coaldrake AO
Chair



John Kotzas
Director



Kieron Roost CPA
Executive Director –
Business Performance

24 August 2020

INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Performing Arts Trust

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Performing Arts Trust. In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2013* and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in the entity's annual report for the year ended 30 June 2020, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

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

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

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

I have nothing to report in this regard.

Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

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

Prescribed requirements scope

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



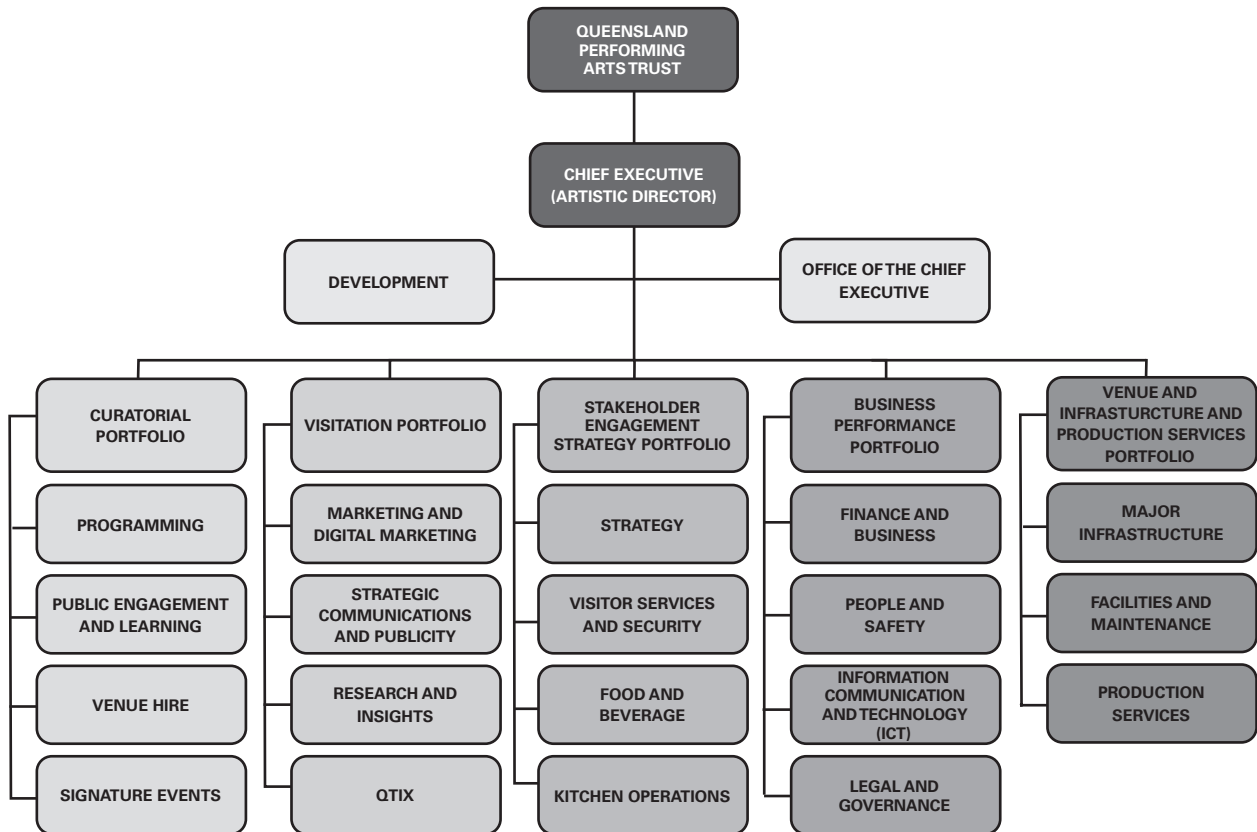
Melissa Fletcher
as delegate of the Auditor-General

25 August 2020

Queensland Audit Office
Brisbane

GOVERNANCE

Organisational Structure



Organisational chart as at 30 June 2020.

Queensland Performing Arts Trust

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

The Board met 17 times during the year, at six ordinary meetings and 11 special meetings focussing on QPAC’s response to the COVID-19 pandemic.

Members of the Board during the year were:

Name	Term		Board meetings		Risk Management and Audit Committee meetings	
	Appointed	Current term	Eligible to attend	Attended	Eligible to attend	Attended
Professor Peter Coaldrake AO <i>Chair</i>	1 Oct 2016 (Chair from 1 Oct 2017)	1 Oct 2017 – 30 Sep 2020	17	17	5	4
Ms Leigh Tabrett PSM <i>Deputy Chair</i>	1 Oct 2017 (Deputy Chair from 1 Oct 2017)	1 Oct 2017 – 30 Sep 2020	17	17	5	5
Dr Sally Pitkin	10 Oct 2019	10 Oct 2019 – 9 Oct 2022	15	14	1	1
Mr Dare Power	1 Oct 2017	1 Oct 2017 – 30 Sep 2020	17	17	0	0
Georgina Richters	10 Oct 2019	10 Oct 2019 – 9 Oct 2022	15	14	0	0
Ms Susan Rix AM	1 Oct 2017	1 Oct 2017 – 30 Sep 2020	17	17	5	5
Ms Leanne de Souza	10 Nov 2016	1 Oct 2017 – 30 Sep 2020	17	15	0	0

Professor Peter Coaldrake AO – Chair

Professor Peter Coaldrake AO was appointed as Chair of the Queensland Performing Arts Trust in October 2017 and is currently a Commissioner of the Tertiary Education Quality and Standards Agency (TEQSA), and Board member of the Queensland Community Foundation.

He was Vice-Chancellor and CEO of QUT from April 2003 to December 2017 and served as Chair of Universities Australia, the peak body representing Australia's universities, between 2009 and 2011.

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

A dual Fulbright scholar, Professor Coaldrake is the author or editor of a number of books including, most recently, as co-author with Dr Lawrence Stedman, of *Raising the Stakes – Gambling with the Future of Universities* (UQP, 2016 revised edition).

In 2017 Professor Coaldrake was named as a recipient of a Queensland Great Award by the Premier of Queensland.

Leigh Tabrett PSM – Deputy Chair

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

She now works as a company director and business coach. She is a Director of the Community Services Industry Alliance Ltd, and (up to January 2020) of DVConnect Ltd. She is also Chair of Of One Mind Ltd, the company which has, since 2013, been developing and presenting the WOW (Women of the World) Festival in Australia and the Pacific.

Dare Power

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

In addition, Dare is one of the driving forces behind PowerArts, an arts investment and production vehicle that works to facilitate live performing arts projects. For more than ten years, PowerArts has contributed to the Australian performing arts landscape through a mixture of direct investment, sponsorship and philanthropy.

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

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

Susan Rix AM

An accomplished business leader with over 35 years' experience as a chartered accountant and corporate advisor assisting clients in varied aspects of commercial, financial and taxation matters with an emphasis on small to medium enterprises across a broad range of industries and professions.

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

Leanne de Souza

Leanne is a co-owner and Non-Executive Director of Nightlife Music, co-founder of the Rock and Roll Writers Festival (on hiatus) and Chair of the Electronic Music Conference Advisory Board.

In 2020, Leanne is a Guardian of Purpose for the release of *True North* – an album by Lydia Fairhall and the She Oaks (release date 1 October 2020). The current single *Somebody's Daughter* is available on all digital music platforms.

Leanne was engaged as a Curatorial Advisor (Music) for the Museum of Brisbane's *High Rotation* exhibition and was listed as the 14th most influential person in the music industry for 2019 by *The Music*.

Leanne de Souza is a life-member of QMusic, was awarded the 2019 NLMA for Excellence in Support of the Live Music Industry and is a long-term local advocate for contemporary music, artist managers and gender equity in the Australian music industry.

Georgina Richters

Georgina Richters currently leads PwC's Indigenous Consulting practice in Queensland. She has previously worked in leadership roles in both the public and private sector as well as not-for-profit.

With more than 20 years' experience working in Indigenous affairs at national, state, local, and community levels, Georgina has a strong record of involvement in strategic planning and developing business improvements and in implementing the strategic direction and thinking of organisations.

Georgina is a former Board Member of Bravehearts and is currently an Advisor to Tourism and Events Queensland, Aboriginal and Torres Strait Islander Committee.

Dr Sally Pitkin

Dr Sally Pitkin is a company director and lawyer with more than 30 years' corporate experience. She has served as a director and board member of ASX 200 companies, Federal Government-owned business enterprises, private companies, regulatory bodies and non-profit organisations.

Her experience in business, including in the areas of corporate governance, risk management, strategy and business planning, organisational culture and stakeholder engagement, has been developed through her former executive roles in the legal industry and through 20 years' experience as a non-executive director and board member.

A Fellow of the Australian Institute of Company Directors, Dr Pitkin is also Chair of the Institute's Corporate Governance Committee. She is a former member of the National Board and President of the Queensland Division of the Institute. She holds a Doctorate in the field of governance, and Masters and Bachelor degrees in law.

Executive Management

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

Chief Executive: John Kotzas

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

Executive Director – Stakeholder Engagement Strategy: Jackie Branch

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

Executive Director – Visitation: Roxanne Hopkins

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

Executive Director – Venue Infrastructure and Production Services: Bill Jessop

The Executive Director – Venue Infrastructure and Production Services oversees the long-term strategic and operational planning and renewal of QPAC’s facilities. This includes managing the delivery of major capital works projects, as well as ongoing asset management and maintenance in accordance with statutory compliance. A major strategic concern for this role is in the environmental sustainability of practice and design throughout QPAC’s facilities and infrastructure. This role commenced on 27 March 2020; prior to this Bill Jessop served as Acting Executive Director – Curatorial.

Executive Director – Business Performance: Kieron Roost

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

Director – Human Resources and Safety: Alicia Dodds

Through a strong advisory, liaison and co-ordination function, the Director – Human Resources and Safety is responsible for providing overall management and strategic and operational advice of human resources, industrial relations, learning and development, workplace health and safety and payroll to support QPAC’s strategic direction, whilst ensuring operational objectives and compliance with legislation is achieved.

Director – Programming: John Glenn

It is the role of the Director – Programming to create, manage and implement programming strategies including initiatives of the Chief Executive. This includes commercial hiring and producing incorporating programs that fulfil QPAC’s commitment to social justice, education, research, heritage and community cultural development, including Aboriginal and Torres Strait Islander Reconciliation. In consultation with the Chief Executive, the role leads, facilitates and advocates QPAC’s creative vision and successfully develops and oversees delivery of programming to ensure maximized occupancy of venues as well as sourcing opportunities for commercial productions that develop and expand QPAC’s capability as a commercial producer.

Director – Public Engagement and Learning: Rebecca Lamoin

The Director – Public Engagement and Learning contributes to QPAC's short and long-term organisational, strategic, intellectual, artistic and engagement objectives. This role oversees all aspects of engagement and learning and context building programs. The role is also responsible for the development, delivery and analysis of learning and engagement program offerings, live and digital, that enhance and broaden engagement with audiences and communities.

Director – Finance and Business: Michael Stout

It is the role of the Director – Finance and Business to oversee and manage the effective delivery of the Finance and Business Unit, including the ongoing maintenance and development of QPAC's finance systems and monitoring of QPAC's budget performance. The role is also responsible for the submission of QPAC's statutory and professional reporting requirements including addressing audit matters and ensuring appropriate financial management controls and practices consistent with internal policies and procedures and legislative requirements.

Public Sector Ethics

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

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

The ethics principles and values and the standards of conduct stated in the Code of Conduct are provided to all staff upon induction and available on QPAC's intranet. The Code of Conduct is available for inspection by any person at QPAC's offices. Staff are given access to education and training about the code of conduct and public sector ethics at regular intervals.

QPAC's administrative procedures and management practices, including its human resource management and procedures, and planning processes are developed and conducted having regard to the ethics principles and values set out in the *Public Sector Ethics Act 1994* and QPAC's Code of Conduct.

QPAC's Strategic Plan 2019-2023 and the QPAC Values are congruent with the public sector ethics principles and the Code of Conduct. Integrity and accountability are incorporated into all organisational decisions and activities. Employee agreements incorporate ethics priorities and the requirements of the *Public Sector Ethics Act 1994*.

Human Rights

In response to commencement of the *Human Rights Act 2019* on 1 January 2020, QPAC has conducted a preliminary review of its policies, programs, procedures and practices to confirm that these are consistent with human rights.

QPAC has not received any human rights complaints.

Risk Management and Accountability

Risk Management and Audit Committee

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

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

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

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

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

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

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

The RMAC considered the financial statements for the year ending 30 June 2020. The RMAC also considered the external audit report on the financial statements and noted the audit recommendations and management responses.

Internal Audit

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

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

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

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

In 2019-2020, QPAC completed audits of Financial Controls (Fixed Assets), PCI/Cyber Security, Donations and Sponsorships, Fraud Risk Assessment (Advisory) and Safety Management (by specialist provider).

External Scrutiny

QPAC was subject to the following external audits and reviews during the financial year (other than the audit reports on the financial statements): QPAC COVID-19 financial impact review.

In response to the financial impact on QPAC of the COVID-19 crisis, Queensland Treasury (QT) and Arts Queensland engaged Queensland Treasury Corporation (QTC), in cooperation with QPAC, to undertake a comprehensive financial review. The outcomes of the QTC review will inform QT's considerations of potential funding support.

Information Systems and Recordkeeping

QPAC complies with the provisions of the *Public Records Act 2002* and the Queensland Government's *Records Governance Policy*.

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

All records are held for the appropriate period set out in the QPAC General Retention and Disposal Schedule. QPAC's General Retention and Disposal Schedule is aligned with the current Queensland State Archives' General Retention and Disposal Schedule (issued September 2016). Secure destruction is performed by an external company after approval is given by the Executive Director – Business Performance. QPAC receives the appropriate Certificate of Destruction for each disposal request.

With the transition from paper to digital records, QPAC has adapted the recordkeeping process to ensure that all major records are captured through scanning and digitising processes and being stored in HP Content Manager. Where necessary, original hardcopies are sent by the information and archives unit, for storage off-site.

Digitisation of QPAC's organisational records was extended with the commencement of a digital archiving project for older physical records currently in off-site storage. This will deliver benefits in terms of access to archive material and enhanced operational efficiency for the management of records.

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

In response to the COVID-19 lockdown, the ICT resources and infrastructure were leveraged to achieve rapid digital transformation enabling the workforce to quickly and effectively transition to remote Work From Home arrangements. This involved an increased use of a range of mobile devices, including laptops and tablets, the use of cloud based software services and the expansion of digital workflow approval processes. This transformation was achieved within the context of a robust cyber security framework.

Human Resources

Strategic Workforce Planning and Performance

As at 30 June 2020 QPAC's workforce was constituted of 195 full time equivalent staff. The permanent attrition rate during the year was 7.55 per cent and the permanent retention rate was 92.45 per cent.

Human Resources

QPAC recorded 100 per cent compliance with the Enterprise Bargaining Agreement. During this period, nil hours were lost to industrial disputation during this process. QPAC's Joint Consultative Committee continues to play a vital role by ensuring that employee representatives have the opportunity to raise and work through organisational issues in a consultative forum with management.

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

The Friends of QPAC Program continues to maintain a strong connection with previous QPAC employees who have dedicated 15 years or more of service to QPAC. This program aims to continue QPAC's engagement and recognition of past employees' contributions and commitment. The program welcomed seven new members in the 2019-2020 financial year and now has a total membership of 31.

Organisational Culture

To support and nurture a culture that provides opportunity for employees to give direct feedback and support the future direction of working at QPAC, the organisation conducted individual Business Unit workshops, presenting unit specific results from the 2018 Employee Engagement Survey and workshopping solutions for the key themes for development. Out of these workshops came the implementation of key strategies to enhance Leadership and Development, Career Opportunities and Recruitment, Employee Rostering and Technology.

In response to the results of the 2018 Employee Engagement Survey, QPAC is finalising the implementation of an electronic rostering and timesheet system called Deputy. This system will interpret electronic timesheets against the award data from the Queensland Performing Arts Centre Enterprise Agreement 2018 and upload into the payroll system.

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

In 2019-2020, 52 employees received Quarterly Nominations from their managers and peers across three award categories (Individual Excellence Award, Outstanding Service Award and Behind the Scenes Achievement Award), 376 employees were nominated for On the Spot Rewards and 250 employees were nominated for a Team Award. In December 2019, Gary Davey (Front of House Duty Manager and QTIX Team Leader) was announced as QPAC's Employee of the Year and was awarded the annual 'Living the Values' Award.

Wellbeing

In 2019-2020, QPAC registered a team for the Lifeblood Program with the Australian Red Cross. This program has resulted in QPAC staff donating blood and collectively helping to save 108 lives.

QPAC's health and wellness newsletter, *The Weekly Wellness*, was implemented to help staff feel connected to QPAC and each other during the isolation period of COVID-19. The weekly newsletter focuses on three main topics, healthy eating, mental health and exercise. The newsletter also includes news of activities or projects happening on-site at QPAC during this period of working from home.

The QPAC Gives Back initiative continued to support charities throughout 2019-2020, namely Food Bank and The Smith Family with staff raising enough funds to support a child's education for 12 months. QPAC continues to work with Australia's leading food rescue organisation, OzHarvest, a national program that collects quality excess food from

commercial outlets delivering it directly to more than 1,000 charities around Australia, by donating excess food from outlets across QPAC.

Now running for 16 years, QPAC's Wellness Program has four elements: move, nourish, mind and support. It has continued to grow and have a positive impact on employees with programs offered around events such as Mental Health Awareness Week, R U OK Day, staff massages, flu vaccinations, skin checks, fitness passport (a low membership fees program for pools and gyms across Queensland and Northern New South Wales), superannuation and financial health checks, Pilates, barre and yoga classes.

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

Learning and Development

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

In 2019-2020 QPAC continued to support current and emerging leaders to transition to a more complex leadership role via the QPAC Leadership Roadmap. This roadmap describes key leadership competencies at the four different levels of leadership and opportunities for development. It is based on the 70:20:10 model, where 70 per cent of learning takes place in the workplace, 20 per cent through social activities and 10 per cent through formal learning. To support the formal learning component, QPAC introduced a Leadership Development Framework for emerging and existing leaders. For the first two levels of leadership, two programs were rolled out to all emerging and current leaders at QPAC using a blended approach, including classroom sessions, online learning modules, videos, self-assessments and access to regularly refreshed, research-based content and thought leadership.

In addition to these two programs and for the third level of leadership, a two-day residential workshop was developed in collaboration with QPAC's Scholar in Residence. An executive level of leadership development was offered to the Executive Team based on a universal model of leadership including a 360 feedback and one on one executive coaching. The curriculum of all programs focuses on enhancing the participants' capacity as leaders, based on best practice in current leadership theory.

QPAC's Learning Management System (LMS), a web-based organisational learning centre, is fully embedded in QPAC's learning culture and continues to support the new three stage employee induction program and the delivery of specific compliance training including yearly refreshers. In addition to the onboarding and compliance, all QPAC employees have direct access to a library including more than 400 professional development courses on the LMS. Topic areas such as wellbeing, business, communications, leadership and management, sales, customer service and various Microsoft applications are available for self-enrolment. In 2019-2020 gamification was introduced to the LMS, based on an employee activity; badges and points can be achieved, and a personal leader board is visible.

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

To support the transition to working from home following COVID-19, QPAC-specific online learning resources were developed to assist staff with using specific technology such as Microsoft Teams as well as courses, readings and learning paths to successfully navigate the challenging times on a personal and professional level.

QPAC was successful in its bid to be part of the QTIC pilot program offering endorsed micro-credentials. The program aims to provide an opportunity to support changing workplaces by providing focused training in specific skills to better support Front of House and Food and Beverage employees to upskill in existing and new skills and knowledge. The online hospitality training platform gives enrolled staff access to seven QTIC endorsed courses as well as a complimentary COVID-SAFE module and a growing library of over 700 online learning videos and resources.

In line with COVID-19 requirements, an online QPAC COVID SAFE module was developed and rolled out for staff returning to work on-site at QPAC. Based on Queensland Government directives and Queensland Health advice, this online module forms part of an education series to ensure staff are aware of the various measures and controls QPAC has implemented to return employees to the workplace progressively and safely. QPAC continued to acknowledge the value it can provide to young people interested in a career in the performing arts by providing work experience and industry placements. Throughout 2019-20 QPAC hosted eight work experience students across all three disciplines of the production services unit (lighting, staging and audio/visual). QPAC also hosted eight internship students in the areas of publicity, finance, programming, functions, marketing, production services and human resources.

In 2019-2020 QPAC continued its ongoing liaison with key industry representatives regarding the identified skills gap and technical training framework for the live performance industry. As Queensland's leading centre for live performance,

this framework is an important part of ensuring the sustainable future of the live performance industry in Queensland. In 2019-2020 QPAC was invited to be a member of the Project Working Group (PWG) for the review of vocational education in the Technical Live Production sector. As part of this PWG and the consultation process, key QPAC managers contributed to the review of the CUA (Creative Arts and Culture) Training Package.

Work Health and Safety

In 2019-2020, QPAC again engaged a third-party provider to conduct an external audit of QPAC's Safety Management System. The audit focussed on key Queensland Codes of Practice which included relevant managers being interviewed. Several opportunities for improvement were identified and included in the QPAC action register which will be reviewed by the Risk Management and Audit Committee. Actions and opportunities for improvement from internal safety audits and risk assessment reports are continually being worked through and completed.

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

Safe Work Month was held again in 2019-2020 with 'Work Safe Home Safe' as the guiding theme. Employees participated in the Tidy Workspace competition which focused on workspace ergonomics, electrical compliance and housekeeping. In addition to the team competition, Business Unit Managers conducted a Pilot session of PErforM (Participative Ergonomics for Manual Tasks) which involved undertaking an assessment of a hazardous manual task and implementing controls to eliminate or reduce the risk of a musculoskeletal disorder from developing.

Additional Information

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

- Consultancies
- Overseas travel

GLOSSARY

Term	Description
ACPA	Aboriginal Centre for the Performing Arts.
Benefactors	Individuals or groups of individuals who have made a financial commitment to QPAC.
Board	QPAC's Board, comprising members of the Queensland Performing Arts Trust appointed under section 6(1) of the <i>Queensland Performing Arts Trust Act 1977</i> .
CEDA	Committee for Economic Development Australia.
Centre	Queensland Performing Arts Centre (the building).
Chief Executive	QPAC's Chief Executive appointed by the Governor in Council as the Director of the Queensland Performing Arts Trust under the <i>Queensland Performing Arts Trust Act 1977</i> .
Concert Hall	QPAC's 1,600 seat theatre primarily used for classical music concerts, contemporary music and comedy.
Cremorne Theatre	QPAC's 277 seat theatre used for smaller theatre productions. The Cremorne Theatre underwent extensive renovations in 2017.
Cultural Precinct	The area of South Bank where several Queensland Government's arts statutory bodies (QPAC, Queensland Art Gallery Gallery of Modern Art, Queensland Museum and State Library of Queensland) are co-located.
Development partners	Businesses, companies or organisations that have made a commercial financial commitment to QPAC in return for specific benefits.
Donors	Individuals who have made a financial contribution to QPAC.
Green Jam	A series of free, outdoor concerts curated by QPAC. Taking place on the Melbourne Street Green, <i>Green Jam</i> showcases local students, young, emerging and early career artists across a range of genres and performance styles.
Helpmann Awards	The Helpmann Awards are administered by Live Performance Australia (the peak industry body for the Australian live performance industry) and recognise achievements in live performance from around Australia.
LMS	Learning Management System.
Lyric Theatre	QPAC's 2,000 seat theatre used primarily for musicals, operas and large dance and music productions.
Melbourne Street Green	The Melbourne Street Green is a shaded, open space located at the Grey Street entrance to QPAC. The outdoor stage hosts a variety of performances including a regular program of free entertainment including <i>Green Jam</i> on Friday evenings.
New Performing Arts Venue	In May 2018, the Queensland Government announced a new \$150 million performing arts venue, with a 1,500 seat theatre, to be constructed on the Playhouse Green site at QPAC by the end of 2022. The project is managed by Queensland's Department of Housing and Public Works Project Delivery Team on behalf of QPAC and Arts Queensland. Early preparatory works are now underway.

NPAV	New Performing Arts Venue.
Out of the Box Festival	QPAC's biennial festival for children aged 8 years and under. Produced and presented by QPAC, Out of the Box Festival is one of QPAC's signature programming initiatives.
Playhouse	QPAC's 850 seat theatre used primarily for theatre, classical and contemporary dance.
Playhouse Green	Previously an open space on the Grey Street side of the Playhouse which is now the site for QPAC's new theatre with early preparatory works currently underway.
QPAC	Queensland Performing Arts Trust, trading as Queensland Performing Arts Centre (the organisation).
QPAC At Home	An e-newsletter developed in response to QPAC's theatre closures due to COVID-19, designed to keep audiences engaged with QPAC and deliver performing arts content online.
QPAC Choir	A contemporary community choir providing access to imaginative repertoire, challenging skill development, social opportunities and the opportunity for members to participate in public performances.
QPAC International Series	The QPAC International Series presents Queensland exclusive seasons by some of the world's leading performance companies. The QPAC International Series is supported by the Queensland Government through Tourism and Events Queensland.
QSO	Queensland Symphony Orchestra.
QTIC	Queensland Tourism Industry Council.
QTIX	QPAC's ticketing service arm. QTIX provides all ticketing services for QPAC and is also used by various arts organisations and museums and galleries from around Australia. QTIX is the leading arts focused full service ticketing solution for the arts industry in Australia.
QUT	Queensland University of Technology.
Risk Management and Audit Committee	A committee of the Board responsible for assisting the Board in overseeing QPAC's internal control, audit and risk management functions.
RMAC	Risk Management and Audit Committee.
Scholar in Residence	A joint appointment between QUT and QPAC to bridge ideas and practice in arts and education. The role also looks at the everyday interconnections between QPAC, its audiences and communities to generate maximum value and impact from QPAC's programs.
SDS	Service Delivery Statement.
Service Delivery Statement	Financial and non-financial information prepared for the State Budget process each year. A separate document is provided for each departmental portfolio and one for the Legislative Assembly of Queensland.
State Companies	Queensland's state performing arts companies Opera Queensland, Queensland Ballet, Queensland Symphony Orchestra and Queensland Theatre.

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	1
Accessibility	<ul style="list-style-type: none"> Table of contents 	ARRs – section 9.1	2
	<ul style="list-style-type: none"> Glossary 		80-81
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	Inside back cover
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Inside back cover
	<ul style="list-style-type: none"> Copyright notice 	Copyright Act 1968 ARRs – section 9.4	Inside back cover
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	Inside back cover
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1	3 – 5
	<ul style="list-style-type: none"> Machinery of Government changes 	ARRs – section 10.2, 31 and 32	n/a
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	3 – 4
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	8, 10 – 24
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 11.1	9 – 10
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2	n/a
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	11, 16, 22
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	11 – 24
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	25
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	71 – 73
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	74 – 75
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	n/a

	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	75
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	75
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6	n/a
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	75
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	75 – 76
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	76
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	76
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	76 – 77
Governance – human resources	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs – section 15.1	77
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	n/a
Open Data	<ul style="list-style-type: none"> Statement advising publication of information 	ARRs – section 16	79
	<ul style="list-style-type: none"> Consultancies 	ARRs – section 33.1	https://data.qld.gov.au
	<ul style="list-style-type: none"> Overseas travel 	ARRs – section 33.2	https://data.qld.gov.au
	<ul style="list-style-type: none"> Queensland Language Services Policy 	ARRs – section 33.3	n/a
Financial statements	<ul style="list-style-type: none"> Certification of financial statements 	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	68
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FAA Financial Accountability Act 2009

FPMS Financial and Performance Management Standard 2019

ARRs Annual Report requirements for Queensland Government agencies

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