

**PACT CENTRE FOR EMERGING ARTISTS  
INCORPORATED**

(An Incorporated Association)

ABN 27 421 225 931

**Annual report**  
for the year ended 31 December 2013

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## Corporate Information

ABN 27 421 225 931

### Committee members

Nick Atkins  
Jessa Boanas-Dewes  
Guy Harding  
Claire Hargreave  
Cat Jones (CEO) (on sabbatical)  
Brian Keogh (Treasurer)  
Jeff Khan  
Annette Madden  
Lara Thoms  
Andrew Symes (Chair)  
Julie Vulcan (Acting CEO)  
Stephanie Walker

### Public Officer

Tija Lodins

### Registered office and principal place of business

107 Railway Parade  
ERSKINEVILLE NSW 2043

### Auditors

Bruce Cowell  
Cowell Watts Panos

## Committees' Report

The committee members of PACT Centre for Emerging Artists submit the annual financial report for the financial year ended 31 December 2013. The committee reports as follows:

### Committee Members

The names of each person who has been a member of the committee during the year and to the date of this report are:

	Date Appointed	Date of cessation	Board		Finance Committee	
			A	B	A	B
Nick Atkins	13/08/2013		2	2		
Jessa Boanas-Dewes	13/08/2013		2	2		
Guy Harding	13/08/2013		2	0		
Claire Hargreave	08/08/2012		7	6		
Cat Jones	28/09/2009		7	0		
Brian Keogh	26/10/2005		7	6	2	2
Jeff Khan	31/08/2011	02/07/2013	4	1		
Annette Madden	25/10/2010		7	2		
Andrew Symes (Chair)	06/04/2009		7	6	2	2
Lara Thoms	18/07/2007		7	4		
Julie Vulcan	17/07/2012		7	7	2	2
Stephanie Walker	13/08/2013		2	1		

A Number of meetings held during the time the committee member held office during the year

B Number of meetings attended

Details of committee member's qualifications, experience and special responsibilities can be found on page 10 of this report.

### Short and Long-Term Objectives and Strategy

#### Mission

PACT feeds the ecology of artistic practice in Australia by providing a centre for emerging artists to create, produce and present inter-disciplinary and experimental contemporary performance, form professional networks and exchange skills.

PACT's mission is to support and produce emerging artists who create performing arts works that push past the boundaries of traditional, mainstream and single art form practices. To provide unique and strategic opportunities for critical dialogue, skills development, creative development, production, presentation and programming of new work by emerging artists.

#### Strategic Goals

- Goal 1 Provide excellent artistic opportunities and professional pathways for emerging artists in experimental performance
- Goal 2 Position PACT as a leading centre for emerging artists in Australia
- Goal 3 Develop and maintain operational efficiency
- Goal 4 Increase financial stability and flexibility
- Goal 5 Continue to maintain good governance

## Strategic Plan: 2011 - 2013

The areas in which we will achieve significant results over the next three years are:

### **GOAL 1: PROVIDE EXCELLENT ARTISTIC OPPORTUNITIES AND PROFESSIONAL PATHWAYS FOR EMERGING ARTISTS**

- Run a successful artistic program of new work by emerging artists
- Develop strategic partnerships on a local (regional), state and national level, that positively benefit participants
- Provide comprehensive professional development opportunities, resources and support
- Monitor and evaluate programs to ensure they meet company objectives

### **GOAL 2: POSITION PACT AS A LEADING CENTRE FOR EMERGING ARTISTS IN AUSTRALIA**

- Ensure public relations strategies raise PACT's profile
- Ensure company brand is clear, striking and consistent
- Ensure communication with diverse groups through diverse media
- Reinvigorate the membership program
- Ensure positive audience experience and satisfaction

### **GOAL 3: DEVELOP AND MAINTAIN OPERATIONAL EFFICIENCY**

- Maximise human resources
- Provide a well maintained & fully functional physical environment
- Maintain excellent communication

### **GOAL 4: INCREASE FINANCIAL STABILITY AND FLEXIBILITY**

- Grow and diversify current non-grant income streams
- Continue to maintain tight control over expenditure
- Create a predictable and orderly capital expenditure program
- Maintain healthy financial reserves

### **GOAL 5: CONTINUE TO MAINTAIN GOOD GOVERNANCE**

- Ensure transparency and accountability
- Ensure the PACT Board is active and skilled

## Principal Activities for the Year

2013 principal activities undertaken by PACT centre for emerging artists Inc to meet its stated objectives included:

### **GOAL 1: PROVIDE EXCELLENT ARTISTIC OPPORTUNITIES AND PROFESSIONAL PATHWAYS FOR EMERGING ARTISTS**

#### **SUMMARY**

- Delivered training to 20 emerging artists through our programs (PACT Ensemble, Around the Kitchen Table, Vacant Room, Patch.work ATSI lab)
- Supported the creative development of 13 works by 28 emerging artists (Around the Kitchen Table, Space Program, Vacant Room, PACT Ensemble)
- Curated 3 works by emerging artists into ticketed, stand alone, PACT Presents seasons
- Engaged local businesses, the community and 24 emerging artists to deliver Tiny Stadiums festival at PACT and in and around Erskineville.
- Delivered a month-long program of 6 works incorporated into Sydney Fringe, two of which have/are touring to other cities.
- Hosted 6 themed dialogue sessions engaging a total of 24 emerging artists and 35 Alumni and established guest speakers (the Saturday Sessions)
- Premiered a Photographic Installation by PACT Photographer in Residence incorporating over 50+ PACT artists as part of the annual Head On Photography Festival
- Awarded 1 UK travel scholarship, 1 Melbourne Fringe Award for Best Experimental Performance and 3 Ensemble training scholarships
- Delivered a Cultural Leadership program for emerging curators
- Partnered with an interstate festival to extend the life of the event - showcasing 2 international, 2 national and 3 local artists (Exist-ence 5)
- Mentored emerging artists and arts workers and interns through a range of creative development skills, curatorial skills, production skills, grant writing and acquittals skills.
- Maintained partnerships with organisations to support creative development (Next Wave, University of Wollongong)
- Supported 5 community organisations to deliver work

#### **ENSEMBLE**

HARVEST - PACT ensemble 2013

Bridget Betzold, Kate Cooper, Miranda Drake, Jackson Hodge, Mandela Mathia, Madelaine Nunn, Scott Parker, Khat Reid.

#### **PACT PRESENTS**

GOOD EVENING APOCALYPSE - Emiline Forster

PHYSICAL FRACTALS - Natalie Abbott

BLINDSCAPE - Skye Gellmann

#### **SYDNEY FRINGE:**

THE DEFENCE - Chris Dunstan

JUDE THE OBSCURE - Alice Williams

SHOOTIN' SADIE - Natasha Soonchild

THE UNSTOPPABLE UNSUNG STORY OF SHAKY M - Rowena Hutson

ANIMORPHED - Simon Binns

JULIE ANNE & JULIE ARE BAD IN BED. OR SO I READ (ON A TOILET STALL DOOR) - Emma White

### **TINY STADIUMS**

FRIEND SHIP (Theatre) - Kenzie Larsen  
BLUE WIZARD (Theatre) - Nick Coyle  
ERSKINEVILLE (Live Art) - Jennifer Hamilton & Craig Johnson  
ROCK SWAP (Live Art) - Kailana Sommer  
THE DICTATOR'S BALL (Live Art) - Roslyn Helper (ZIN Collective)  
GREYHOUNDS PROJECT 2 (Live Art) - Bennett Miller  
THE DEFICIENT OF SOLUTION DEVELOPMENT: QUIZZING MAKES REMEDY - Hossein Ghaemi  
PUSSYFOOT: THE CATS OF ERSKINEVILLE - Imogen Semmler  
WIDE EYES (Live Art) - Ella Barclay  
DEEP FLEX (Live Art) - Natalie Abbott  
REFERRING TO ITS MOMENTARY SHIFT (Live Art) - Leahlani Johnson  
WADE MADE (workshop) - Andrea Wade  
ALBERT TUCKER SLOW COFFEE - Kate Britton & Angela Bennetts  
TINY TALKS - Artist Talk & Slide Night (Newtown Library)  
TINY FORUMS – Artist & Curators  
WHAT LIES BENEATH (LP LAUNCH) - Lucas Ihlein

**PACT: The Passion & the Whimsy - photo exhibition** - Matthew Duchesne photographer in residence and the artists of PACT 2011 - 13

### **CREATIVE DEVELOPMENT**

#### **SPACE PROGRAM**

GOOD EVENING APOCALYPSE - Emiline Forster  
SO YOU WANNA BE A PENNY FIDDLER - Kate Brown  
HALF WORLD - Scott Parker (Matriark Theatre)  
RECOVER - Laura Hindmarsh  
WELCOME TO SLAUGHTER - Michelle Robin Anderson

#### **VACANT ROOM**

WITH HEART LOCAL - Nick Atkins; Mentor Kate Gaul  
CARLY AND TROY DO 'A DOLL'S HOUSE' - Emma McManus; Mentor Declan Greene  
FAR-OFF - Melinda Tyquin; Mentor Samantha Chester

#### **AROUND THE KITCHEN TABLE**

MODERN SECULAR REASONS TO SING - Maria White  
"WORLD'S SADDEST COOKBOOK" (MICROWAVE COOKING FOR ONE) - Claire Lovering  
CURIOUS WORLD OF URBAN CATS - Kate Cooper  
EXPLORATION OF THE PHYSICAL BODY AND THE VIRTUAL BODY - Jessica Watson-Miller

#### **PATCH.WORK ATSI LAB**

Director Bjorn Stewart; Mentor Fred Copperwaite  
Participants Katherine Beckett, Murray Clapham, Sharni McDermott, Nicole Monks

#### **SATURDAY SESSIONS**

##### **Session 1 What is an Ensemble and/or Collective? What is collaboration? How do we sustain it?**

Julie Vulcan, POST, Brown Council, Deborah Pollard, Paschal Berry, Katia Molino, Carlos Gomes, Bjorn Stewart, Maria White, Nikki Kennedy, Shy Magsalin

##### **Session 2 Dance and daily choreographies**

Martin del Amo, Julie-Anne Long, Linda Luke, Natalie Abbott, Sam Chester, Elizabeth Ryan, Raghav Handa, Matt Cornell.

**Session 3 Digital media and expanding performance realms**

Skye Gellmann, Kieran Law, Alexia Estrellado, Kate Richards, Ryan McGoldrick, Dr Andrew Burrell  
Alejandro Rolandi, Linda Dement, Grant Moxom, Kate Brown

**Session 4 Performance art, live art, action art - now!**

Julie Vulcan, Rebecca Cunningham, John G. Boehme, Henrik Hedinge, Bonnie Hart, Naomi Oliver, Sandra  
Carluccio, John A. Douglas, Sarah Rodigari, David Capra, Jess Olivieri, Boni Cairncross, Jodie Whalen.

**Session 5 Fringe festivals, putting it out there and other success stories**

Rowena Hutson, Emma White, Friends with Deficits, Nick Atkins, Simon Binns, Applespiel, Natasha  
Soonchild

**Session 6: *Here for Good? discussions around community engaged art***

Amelia Wallin, David Capra, Mish Grigor, Bennett Miller, Karen Therese, Leahlani Johnson

**CREATIVE PARTNERSHIPS**

**EXIST-ENCE 5 Umbrella event in association with EXIST (BRIS) residency and performance art**

SPORT - John G Boehme (CAN)

UNTITLED - Henrik Hedinge (SWE)

RELAY - Boni Cairncross (SYD) & Lauren Brown (LONDON)

SELF-GENERATING TRANQUILITY POD - Naomi Oliver (SYD)

AND, ONE MORE THING... - Sandra Carluccio (SYD)

STITCH IN TIME - Bonnie Hart (BRIS)

AGGREGATES - Alrey Batol (BRIS)

**KICK START – NEXT WAVE FESTIVAL 2014**

**Jesse Cox - Wael Zuaiter Unknown**

Development of the work Wael Zuaiter Unknown, a theatre work blending documentary, radio  
storytelling and the graphic novel to investigate the assassination of Palestinian activist Wael Zuaiter.

**INTIMATE SPACES – Youth Week Crack Festival Outreach Program**

Nick Atkins & Tom Christophesson

**BBM 2013 Awardee**

Madison Chippendale

**CULTURAL LEADERSHIP PROGRAM**

Amelia Wallin

Maria White

Christopher Hodge

**IBMA SCHOLARSHIPS**

Khat Reid

Bridget Betzhold

Kate Cooper

**STARRS SCHOLARSHIP**

Mandela Mathia

**GOAL 2: POSITION PACT AS A LEADING CENTRE FOR EMERGING ARTISTS IN AUSTRALIA**

In 2013, 2120 attendees saw work developed, produced and presented at PACT. In 2013, PACT continued  
to employ an external publicist for major programs, which resulted in PACT securing a total of 156 total  
media items: 52 items for PACT Presents, 41 for Sydney Fringe program and 63 items for Tiny Stadiums in  
both mainstream and independent media.



During 2013, PACT continued developing the website as a resource for artists as well as a tool to enhance the company brand. The website received 23,887 visits with 14,426 unique visitors and 64,106 page views which represents a 25% increase on 2012.

PACT is building on its audience, with almost 60% of respondents surveyed being first-time attendees to PACT events. Of those first time attendees, around 50% had not previously heard of PACT, however, close to 100% responded they would return to see more work at PACT after their first experience. PACT's membership remained steady at 64 members at the end of 2013.

PACT continued building on brand strength and brand identity of not only the company, but also of the individual programs. Tiny Stadiums enjoyed increased brand visibility through a presence in mainstream media including segments on The Project and ABC Drive Time radio.

PACT's social media networks are steadily on the increase and by the end of 2013, PACT social media platforms enjoyed 2632 Facebook followers, 2795 followers on Twitter and 394 followers on Instagram. eNews subscribers rose during 2013 to 902 subscribers, an increase of 28% on 2012.

### **GOAL 3: DEVELOP AND MAINTAIN OPERATIONAL EFFICIENCY**

2013 saw some big changes in the PACT team, with Financial Controller Sue Proctor taking up a full-time position with the National Art School and Charles Pashi coming into the role. Alexia Estrellado left PACT to take up a full-time role with DLux Media, after which the role of Communications Coordinator was restructured to Content Manager, with Yu Ye Wu taking up the part-time position. Cat Jones extended her sabbatical, with Julie Vulcan continuing in the acting Artistic Director/CEO role for the whole of 2013.

Volunteer and Internship opportunities through Ensemble, Sydney Fringe and Tiny Stadiums saw 46 volunteers and interns engage with PACT.

The building underwent big changes with the installation of new access ramps, internal painting, and work to the foyer and roof. CapEx planning was undertaken and short and long-term works identified.

The organisations' policies and procedures had a full review, as did all contract agreements, security and filing hierarchies. A consolidation of insurance policies saw the engagement of Finance Insurance Australia brokerage firm ensuring better coverage and savings across all insurance policies.

### **GOAL 4: INCREASE FINANCIAL STABILITY AND FLEXIBILITY**

Despite staff changes at PACT and major cultural policy reviews at every level of government, PACT reported a surplus of \$5,284 at the end of 2013. A successful gold brick wall campaign, earned income targets performing to budget, and continued support from long-term private supporters, along with tightly controlled expenditure, account for the successful result.

### **GOAL 5: CONTINUE TO MAINTAIN GOOD GOVERNANCE**

The 2014 – 16 Business Plan was written and submitted to Australia Council and a strategy day held in December to reaffirm focus for 2014.

The General Manager attended numerous sessions on changes to the Fair Work Act, ATO compliance, and HR accountability, which instigated a review of all policies and procedures to reflect changes to the legislation.

The PACT Board had major changes. The resignation of Jeff Khan due to over commitments prompted a board audit and a decision to increase the board for the first time to 10. The four new members: Nick Atkins, Jessa Boanas-Dewes, Guy Harding and Steph Walker, all come to the Board with great energy and expertise.

## Members' Guarantee

The entity is incorporated under the Associations Incorporation Regulation 2010 under the Associations Incorporations Act 2009 and is an incorporated association. In the event of the association being wound up, each member undertakes to contribute a maximum of \$10 respectively for payment of the company's liabilities – but limited to the amount, if any, unpaid by the member in respect of the total \$10 fee for membership of the association. As at 31 December 2013 there were 64 members of PACT centre for emerging artists and the amount of capital that could be called up in the event of PACT centre for emerging artists being wound up is \$0, with no unpaid association membership fees applicable to any member.

## Auditor's Independence

The auditor's declaration of independence appears on page 11 and forms part of the Committees' report for the year ended 31 December 2013.

Signed in accordance with a resolution of the committee members:



**Andrew Symes**  
Chair  
Sydney  
25 March 2014



**Brian Keogh**  
Treasurer  
Sydney  
25 March 2014

**Auditor's Independence Declaration  
to the Committee Members of Pact Centre for  
Emerging Artists Incorporated**

I declare that, to the best of my knowledge and belief, during the year ended 31 December, 2013, there have been:

1. no contraventions of accepted auditor independence requirements in relation to the audit, and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

COWELL WATTS PANOS



BRUCE N COWELL

Dated: 25<sup>th</sup> March 2014

## Qualifications, Experience and Special Responsibilities

Name	Qualifications	Experience	Special Responsibilities
Nick Atkins	BA (Media and Communications) (Hons)	Theater maker. Cate Blanchett award for new media performance <i>Cyborgs are born, not made</i> . Trained with the imPACT ensemble 09 performing in <i>Public Bunnies in C# Minor</i> (dir. Michal Imielski). Artist in residence at the CAMAC Art Centre and Pentales Hemmingway Writers Fellowship. Performance tutor for Studio Q. Co-Director of Crack Theatre Festival.	
Jessa Boanas-Dewes	BA (Hons) (English) & PostGradDip (Environmental Management)	Director of technical writing company, Toot Sweet. Background in publishing, marketing, communications and business. Has a background and strong interest in performance art. Worked at Szencorp Sustainable Development, Lonely Planet Publications, and Eleanor Curtain Publishing.	
Guy Harding		Sound engineer, lighting designer and production manager. Previous Operations Manager at Carriageworks, Venue Manager of Cleveland Street Theater, Production Manager for a range of companies including Sydney Children's Festival and TVU. Project Engineer for Hyder Consulting - M4 roadway project.	
Claire Hargreave	B Art Theory & M Arts Admin	Performing Arts Marketing Specialist. Held positions at Carriageworks, SKY TV NZ and Casula Powerhouse. Online Editor for Edinburgh Festival Fringe and headed marketing and media for This Is Not Art. Currently at Sydney Opera House.	Marketing Committee
Cat Jones	BA (Drama)(Acting)	Performer, media artist, writer, producer with a focus on festivals. Expertise in programming, project management, financial management, funding.	CEO, Financial Committee
Brian Keogh	MBA & BSW (Hons)	Freelance business consultant. Expertise in marketing and strategic planning. Experience includes 25 years of directing, managing and providing strategic and business advice for various creative companies, festivals and government departments.	Treasurer, Financial Committee
Jeff Khan	BA (English)	Writer and curator with focus on performance, dance, visual arts and interdisciplinary practice. Experience includes Festival Artistic Director and Company Co-Director. Expertise in relationship management, fundraising.	
Annette Madden	BA (Communications) (Theatre/Media)	(WA) Executive Producer Perth International Festival. Expertise in programming, creative producing, artistic development and theatre and festival program management.	
Lara Thoms	BA (Communications) (Media Arts)	(VIC) Multi-media artist, designer, writer, curator. In-depth knowledge of PACT as a participant and contractor. Knowledge of national arts industry.	

## Qualifications, Experience and Special Responsibilities Continued...

Name	Qualifications	Experience	Special Responsibilities
Andrew Symes	BA (History and Philosophy) & LLB (Hons) & Graduate Dip (Legal Practice)	Expertise in legal, compliance and general business management and strategy. Singer (operatic), strong interest in the performing arts.	Chairperson, Financial Committee
Julie Vulcan	BA (Visual Arts) & Grad Dip (Visual Arts)	Performer, interdisciplinary artist. Strong national and international networks. Previous tutor and associate director at PACT.	Acting CEO, Finance & Marketing Committees
Stephanie Walker	BA (Theatre and Media) & Grad Dip (Commerce – marketing) & MA (Arts Management)	Executive Director of Performance Space with international experience as a General Manager, Executive Producer, and Events Manager. Previously GM & AD of the Christchurch Arts Festival, Programme Manager & co-GM at BATS Theatre in Wellington, Capital E National Theatre for Children (NZ), New Zealand International Arts Festival, Cardboard Citizens (UK), Manaia Maori Performing Arts (UK) and the Royal Albert Hall.	

## Financial Statements

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FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

## Statement of comprehensive income

	Note	2013 \$	2012 \$
<b>Revenue</b>			
Performance income		24,201	25,661
Fees & services	3	19,345	7,353
Resource income	4	30,898	39,429
Sponsorship & donations	5	14,934	6,078
Interest		8,167	10,531
Other income		4,514	4,900
Subsidies & grants	6	403,912	333,604
<b>Total revenue</b>		<b>505,971</b>	<b>427,556</b>
<b>Expenses</b>			
Wages, fees & allowances		305,292	293,016
Program costs		55,352	14,247
Marketing costs		20,147	9,707
Infrastructure costs		119,896	110,637
<b>Total expenses</b>		<b>500,687</b>	<b>427,607</b>
Total comprehensive income / (loss) attributable to members of PACT Incorporated		<b>5,284</b>	<b>(51)</b>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

## Statement of financial position

ASSETS	Note	2013 \$	2012 \$
<b>Current assets</b>			
Cash and cash equivalents	7	153,640	241,026
Accounts receivable and other debtors	8	2,910	4,418
Prepayments		12,422	6,063
<b>Total current assets</b>		<b>168,972</b>	<b>251,507</b>
<b>Non-current assets</b>			
Intangibles	9	689	1,679
Plant and equipment	10	2,945	4,943
<b>Total non-current assets</b>		<b>3,634</b>	<b>6,622</b>
<b>TOTAL ASSETS</b>		<b>172,606</b>	<b>258,129</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts Payable and other payables	11	19,667	23,021
Provisions	12	5,287	10,978
Income in advance	13	40,938	122,700
<b>Total current liabilities</b>		<b>65,892</b>	<b>156,699</b>
<b>TOTAL LIABILITIES</b>		<b>65,892</b>	<b>156,699</b>
<b>NET ASSETS</b>		<b>106,714</b>	<b>101,430</b>
<b>EQUITY</b>			
Reserves	14	3,832	3,832
Retained surplus		102,882	97,598
<b>TOTAL EQUITY</b>		<b>106,714</b>	<b>101,430</b>

The above statement of financial position should be read in conjunction with the accompanying notes



## Statement of changes in equity

	Retained surplus \$	Reserves \$	Total equity \$
<b>Balance as at 1 January 2012</b>	<b>97,649</b>	<b>3,832</b>	<b>101,481</b>
Loss attributable to members	(51)	-	(51)
<b>Balance as at 31 December 2012</b>	<b>97,598</b>	<b>3,832</b>	<b>101,430</b>
Surplus attributable to members	5,284	-	5,284
<b>Balance as at 31 December 2013</b>	<b>102,882</b>	<b>3,832</b>	<b>106,714</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes

## Statement of cash flows

	Note	2013 \$	2012 \$
<b>Cash flows from operating activities</b>			
Cash received in the course of operations		104,941	89,052
Receipts from appropriations/grants		277,658	334,881
Interest received		8,167	11,014
Payments made to suppliers and employees		(477,489)	(407,037)
Net cash in from operating activities		<b>(86,723)</b>	<b>27,910</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment		(662)	(1,918)
Payments for intangibles		-	-
Net cash used in investing activities		<b>(662)</b>	<b>(1,918)</b>
Net increase / (decrease) in cash held		(87,386)	25,992
Cash and cash equivalents at beginning of the financial year		241,026	215,034
<b>Cash and cash equivalents at the end of the financial year</b>	7	<b>153,640</b>	<b>241,026</b>

The above statement of cash flows should be read in conjunction with the accompanying notes

## Notes to and forming part of the financial statements

### 1 CORPORATE INFORMATION

The financial report is for PACT Centre for Emerging Artists (the "Association") as an individual entity for the year ended 31 December 2013 and was authorised for issue in accordance with a resolution of the committee members dated 25 March 2014.

PACT centre for emerging artists is an incorporated association and domiciled in Australia.

The nature of the operations and principal activities of the Association are described in the Committee Members' Report.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) *Basis of preparation*

These general purpose financial statements have been prepared in accordance with the requirements of the *Associations Incorporation Act 2009*, Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group interpretations.

The association is classified as a Tier 1 association and complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board. The adoption of these Standards has resulted in significantly reduced disclosures in respect of related parties and financial instruments. There was no other impact on the current or prior year financial statements.

The financial report has been prepared on an accrual basis and is based on historical cost convention. It does not take into account changing money value, or except where stated, current valuations of non-current assets. Cost is based on the fair value of the consideration given in exchange for assets.

The financial report is presented in Australian dollars.

#### b) *Significant accounting judgements, estimates and assumptions*

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

## Notes to and forming part of the financial statements

### Significant accounting estimates and judgments

The key estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of certain assets and liabilities within the next annual reporting period are:

#### *Provision for employee benefits*

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures, and periods of service, as discussed in Note 2(k). The amount of these provisions would change should any of the employees change in the next 12 months.

### **c) Revenue recognition**

Revenue is recognised when the association is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

### Revenue from fundraising

#### *Donations*

Donations collected, including cash and goods for resale, are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

#### *Sponsorship*

Sponsorship commitments are brought to account as income in the year in which sponsorship benefits are bestowed.

### Interest income

Interest income is recognised as it accrues, using the effective interest method.

### Government funding

Grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are met.

When grant revenue is received whereby the association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction, and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

### In-kind rental subsidy

The association receives an in-kind rental subsidy from the City of Sydney in respect of the property from which it operates. The subsidy is included as revenue in the Statement of comprehensive income, with a corresponding amount included in expenses.

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

## Notes to and forming part of the financial statements

### **Asset sales**

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

### **d) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Wages, salaries & fees includes all employment related costs such as wages, superannuation, provision for annual leave, provision for long service leave and workers compensation. This category also includes all contracts for labour costs.

Program costs includes all direct costs associated with the delivery of the artistic program

Marketing costs include all direct costs associated with marketing both the artistic program and the company.

Infrastructure costs includes all other indirect costs include office rental and running costs, insurance and depreciation.

### **e) Cash and cash equivalent**

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalent as defined above, net of any outstanding bank overdrafts.

### **f) Trade and other receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from seven to 90 days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the association will not be able to collect the debts. Bad debts are written off when identified.

### **g) Plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Any plant and equipment donated to the association or acquired for nominal cost is recognised at fair value at the date the association obtains control of the assets.

## Notes to and forming part of the financial statements

### *Depreciation*

Items of plant and equipment are depreciated over their useful lives to the association commencing from the time the asset is held ready for use. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

	2013 %pa	2012 %pa
Theatre equipment	20-33	20-33
Office equipment	20-33	20-33

### *Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income.

### *Derecognition and disposal*

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the association or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

### *Leases*

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight line basis over the lease term.

## **h) Intangibles**

Software and website are recorded at cost. Software and website have a finite life and are carried at cost less any accumulated amortisation and impairment losses. They have an estimated useful life of between two and three years. They are assessed annually for impairment.

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

## Notes to and forming part of the financial statements

### *i) Trade creditors and other payables*

These amounts represent liabilities for goods and services provided to the association prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. The notional amount of the payables is deemed to reflect fair value.

### *j) Deferred income*

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date, or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

### *k) Employee benefits*

Employee benefits comprise wages and salaries and annual leave.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

### *l) Taxation*

#### *Income tax*

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

#### *Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

**Notes to and forming part of the financial statements**

**m) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. The association's continued existence is ultimately dependent upon the success of future productions and government support.

If the association is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and in amounts different from those stated in the financial report.

At the date of the report, the association has received notification that 2014 grant funding has been approved and it is expected the company will be able to continue in its normal capacity.

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>3 Fees &amp; services</b>		
Auspice fee	3,650	100
Management Fee (Projects)	11,168	4,560
Membership fees	227	793
Program Participant Fees	4,300	1,900
	<b>19,345</b>	<b>7,353</b>
	<b>2013</b>	<b>2012</b>
	\$	\$
<b>4 Resource income</b>		
Venue Hire	30,653	39,104
Venue Tech Support	245	180
Equipment Hire	-	145
	<b>30,898</b>	<b>39,429</b>
<b>5 Sponsorship &amp; donations</b>		
General donations	4,034	1,178
BBM	10,000	3,000
Ian Bowie Memorial Association	900	1,900
	<b>14,934</b>	<b>6,078</b>



FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

**Notes to and forming part of the financial statements**

**6 Subsidies & grants**

Arts NSW - Annual program	76,350	76,350
Arts NSW - Tiny Stadiums	25,000	25,000
Australia Council - Triennial funding	151,350	150,000
Australia Council - Cultural leadership	14,758	10,948
Australia Council - Project funding	25,220	-
Australia Council - Auspiced funding	36,500	-
City of Sydney - Project funding	5,000	10,000
City of Sydney - in-kind rental subsidy	69,734	61,306
	<b>403,912</b>	<b>333,604</b>

**7 Cash and cash equivalents**

Cash on hand	200	200
Short-term deposits	153,440	240,826
	<b>153,640</b>	<b>241,026</b>

**8 Accounts receivable and other debtors**

Trade receivables	2,910	2,450
Less Provision for Doubtful Debts	-	(30)
Accrued income	-	1,698
Security deposits	-	300
	<b>2,910</b>	<b>4,418</b>

**9 Intangible assets**

**Gross carrying amount**

Opening balance	3,472	3,472
Additions	-	-
Closing balance	<b>3,472</b>	<b>3,472</b>

**Accumulated amortisation**

Opening balance	(1,793)	(733)
Amortisation expense	(990)	(1,060)
Closing balance	<b>(2,783)</b>	<b>(1,793)</b>

**Net book value**

<b>As at 31 December</b>	<b>689</b>	<b>1,679</b>
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FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

**Notes to and forming part of the financial statements**

**10 Plant & equipment**

<b>2013</b>	Theatre equipment	Leasehold improvements	Office equipment	Total
<b>Gross Carrying Amount</b>				
Balance at 31 December 2012	15,407	214,577	19,193	249,177
Additions	662	-	-	662
Balance at 31 December 2013	16,069	214,577	19,193	249,839
<b>Accumulated Depreciation</b>				
Balance at 31 December 2012	(12,558)	(214,577)	(17,099)	(244,234)
Depreciation expense	(1,528)	-	(1,132)	(2,660)
Balance at 31 December 2013	(14,086)	(214,577)	(18,231)	(246,894)
<b>Net Book Value</b>				
<b>As at 31 December 2013</b>	<b>1,983</b>	<b>-</b>	<b>962</b>	<b>2,945</b>

**10 Plant & equipment continued**

<b>2012</b>	Theatre equipment	Leasehold improvements	Office equipment	Total
<b>Gross Carrying Amount</b>				
Balance at 31 December 2011	13,817	214,577	18,865	247,259
Additions	1,590	-	328	1,918
Balance at 31 December 2012	15,407	214,577	19,193	249,177
<b>Accumulated Depreciation</b>				
Balance at 31 December 2011	(9,379)	(214,577)	(15,313)	(239,269)
Depreciation expense	(3,179)	-	(1,786)	(4,965)
Balance at 31 December 2012	(12,558)	(214,577)	(17,099)	(244,234)
<b>Net Book Value</b>				
<b>As at 31 December 2012</b>	<b>2,849</b>	<b>-</b>	<b>2,094</b>	<b>4,943</b>

	<b>2013</b>	<b>2012</b>
<b>11 Accounts payable and other payables</b>	\$	\$
Unsecured trade creditors	801	2,047
Net GST payable	(1,815)	6,223
Sundry creditors & accruals	20,681	14,751
	<b>19,667</b>	<b>23,021</b>

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2013

## Notes to and forming part of the financial statements

### 12 Provisions

Provision for annual leave	5,287	10,978
	<b>5,287</b>	<b>10,978</b>
<i>Analysis of total provision</i>		
Current	5,287	10,978
Non-current	-	-
	<b>5,287</b>	<b>10,978</b>

	<b>2013</b>	<b>2012</b>
<b>13 Income / grants in advance</b>	<b>\$</b>	<b>\$</b>

#### *Grants in advance*

		-
Australia Council - Cultural leadership	14,294	29,052
Arts NSW	-	76,350
BBM	11,000	13,000
City of Sydney - Tiny Stadiums	-	(3,000)
Hotel Erskineville - Tiny Stadiums	1,995	
City of Sydney - in-kind rental subsidy	5,551	
<i>Other income in advance</i>		
Security bonds	2,900	6,100
Auspiced Income - Musecology	1,198	1,198
Auspiced income - Stage Juice	4,000	-
	<b>40,938</b>	<b>122,700</b>

### 14 Permanent Reserves

The association maintains a Permanent Reserve for the purpose of accumulating capital to ensure its long-term viability and financial security. The reserve may be used at any time for PACT projects that contribute to the association's objectives.

Balance – 1 January	3,832	3,832
Transfer from accumulated funds		
Balance – 31 December	<b>3,832</b>	<b>3,832</b>

### 15 Key management

The names and positions of those having authority for planning, directing and controlling the association's activities, directly or indirectly (other than directors), is:

Tija Lodins, General Manager

**Notes to and forming part of the financial statements**

	<b>2013</b>	<b>2012</b>
	\$	\$
<b>16 Lease commitments</b>		
Operating lease commitment - office rent		
Payable - minimum lease payments:		
- not later than 12 months	6,993	1,624
- between 12 months and five years	10,858	-
	<u><b>17,851</b></u>	<u><b>1,624</b></u>

The current property lease granted by the City of Sydney will expire 30 June 2016. The value of the rental subsidy provided by the City of Sydney was \$69,734 in 2013 (2012: \$61,306)

## Independent auditor's report



Cowell Watts Panos  
Chartered Accountants  
A.B.N. 15 259 983 314

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Sydney NSW 2011  
Telephone: (02) 9380 8888  
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Partners:  
Christopher P Watts CA  
Andrew Panos CA  
Consultant:  
Bruce N Cowell FCA

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACT CENTRE FOR EMERGING ARTISTS INCORPORATED

#### Report on the Financial Report

We have audited the accompanying financial report of Pact Centre For Emerging Artists Incorporated (the association), which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the committee.

#### Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Associations Incorporation Act 2009 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.



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Professional Standards Act  
1994 (NSW)

## Independent auditor's report continued

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

### Opinion

In our opinion, the financial report of Pact Centre for Emerging Artists Incorporated is in accordance with the requirements of the Associations Incorporation Act 2009, including:

- i. giving a true and fair view of the association's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
- ii complying with Australian Accounting Standards.



Bruce Nelson Cowell

Address: 68-70 Crown Street, Sydney, NSW 2011

Dated this 25th day of March 2014

## Committee members' declaration

The committee members declare that:

- (a) the financial statements and notes set out in pages 14 to 27 are in accordance with the *Associations Incorporation Act 2009*, including:
  - (i) giving a true and fair view of the association's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards; and
- (b) There are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the committee members:



**Andrew Symes**  
Chair  
Sydney  
25 March 2014



**Brian Keogh**  
Treasurer  
Sydney  
25 March 2014

PACT CENTRE FOR EMERGING ARTISTS INCORPORATED  
 (An Incorporated Association)

ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDING 31 DECEMBER 2013

Schedule 1 - Summarised financial results - Auspiced projects

2013	Ref	Physical Fractals	Stage Juice
<b>Income</b>			
Earned income		1,790	-
Grants & subsidies	Sch 2	36,500	4,000
Total income		38,290	4,000
<b>Expense</b>			
Wages, salaries & fees		16,159	-
Other costs		22,132	-
Carried forward to next year		-	4,000
Total expense		38,290	4,000
<b>Net surplus / (deficit)</b>			
		-	-



ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDING 31 DECEMBER 2013

Schedule 2: Auspiced project grants & subsidies

2013 Subsidies & Grants		Grants b/fwd	Grants received	Grants applied	Grants c/fwd
<i>Funding Body</i>	<i>Project</i>	<b>2012</b>	<b>2013</b>		<b>2014</b>
City of Sydney	Museecology	1,198	-	-	1,198
Australia Council	Physical Fractals	-	36,500	36,500	-
Australia Council	Stage Juice	-	4,000	-	4,000
<b>SUBTOTAL</b>		<b>1,198</b>	<b>40,500</b>	<b>36,500</b>	<b>5,198</b>