

**PACT CENTRE FOR EMERGING ARTISTS  
INCORPORATED**

**(An Incorporated Association)**

**ABN 27 421 225 931**

**Annual report**  
for the year ended 31 December 2014

## Contents

Corporate Information .....	3
Committees' Report .....	4
Principal Activities for the Year.....	6
Members' Guarantee .....	11
Auditor's Independence .....	12
Qualifications, Experience and Special Responsibilities.....	13
Qualifications, Experience and Special Responsibilities Continued... ..	14
Financial Statements .....	15
Statement of comprehensive income .....	16
Statement of financial position.....	17
Statement of changes in equity .....	18
Statement of changes in cash flow.....	19
Notes to and forming part of the financial statements .....	20
Independent auditor's report.....	30
Committee members' declaration .....	32

## Corporate Information

ABN 27 421 225 931

### Committee members

Nick Atkins

Nathan Bennett

Katrina Douglas (CEO)

Claire Hargreave

Brian Keogh (Treasurer)

Lara Thoms

Andrew Symes (Chair)

Stephanie Walker

### Public Officer

Stephanie Walker

### 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 2014. 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		8	7		
Nathan Bennett	28/10/2014		2	2		
Jessa Boanas-Dewes	13/08/2013	13/08/2014	6	5		
Katrina Douglas	29/04/2014		6	6	3	3
Guy Harding	13/08/2013	19/12/2014	8	2		
Claire Hargreave	08/08/2012		8	6		
Brian Keogh	26/10/2005		8	5	5	5
Annette Madden	25/10/2010	17/04/2014	2	0		
Andrew Symes (Chair)	06/04/2009		8	7	5	4
Lara Thoms	18/07/2007		8	2		
Julie Vulcan	17/07/2012	14/03/2014	1	1	1	1
Stephanie Walker	13/08/2013		8	5		

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 13 of this report.

### Short and Long-Term Objectives and Strategy

#### PURPOSE

PACT is a national centre for exploration and presentation of uniquely Australian interdisciplinary and experimental performance work by emerging artists for audiences attracted to new and inquisitive approaches.

PACT supports emerging artists to test frameworks, take risks, establish rigour, develop diversity and excellence from the ground up. PACT advocates on behalf of its artists, brokers professional networks and is the platform from which artists, leaders and visionaries launch their careers and populate our cultural landscape.

#### CORE VALUES

**Experimentation** – PACT values original exploration and experimentation across methodology, production, audience relationships and critical discourse.

**Collaboration** – PACT values community and vision encouraging collaboration and partnerships within and without its walls

**Diversity** – PACT values cultural diversity, ability and identity combined with unique modes of expression and audience engagement

**Excellence** – PACT values excellence and rigour via skill development pathways and within all modes of creative practice, mentorship and production

**Sustainability** – PACT values creative sustainability striving for cultural, environmental and economic well being.

#### STRATEGY PRIORITIES

By the end of 2016, PACT aims to have a strong national and new international artistic reputation supported by a recognisable brand and a solid organisational structure that is fiscally sustainable.

##### Artistic

To cement this reputation PACT works to strengthen professional development pathways, broker specific skills training and promote new networks and exchange. This is reflected in the artist in residence program promoting long-term views; the PACT Platform providing showcase and work in progress reviews; PACT Presents attracting industry interest; strategic partnerships facilitating learning opportunities in digital media and interdisciplinary practice; promotion of critical discourse and exchange; interstate presentations supported by national partnerships and guided by an artistic peer subcommittee; international exchange facilitated by online forums, social media platforms and a virtual hub.

##### Marketing

To establish a high profile brand that is nationally recognised PACT ensures its artists and their work are visible on a range of digital and online platforms; its marketing brand is consistent throughout all programs; the website offers a resource for artists working in experimental performance; artists and alumni are celebrated; audiences can directly engage with artists and the artistic process; the venue is a desirable destination.

##### Management

To support the delivery of a national program PACT has a management structure that is comprised of the most skilled people available; supports national exchange; oversees strategies to ensure the venue is accessible, environmentally responsible and comfortable; values Alumni as integral to PACT's program, management, and fundraising objectives; promotes Board representation of the organisation's local and national objectives as skilled advocates at all levels of social, political, economic and artistic life.

##### Finance

To ensure PACT is fiscally sustainable, PACT oversees earned income through resource management and a private giving strategy that targets smaller gifts; delivery of its programs by retaining skilled and expert teams; industry wage standards, adequate working week hours and staff training programs.

## Principal Activities for the Year

2014 principal activities undertaken by PACT centre for emerging artists Inc to meet its stated objectives included:

### **GOAL 1: Be the platform from which emerging artists launch rigorous and excellent careers in experimental performance.**

- Celebrated 50 years of being the platform from which emerging artists launch excellent and sustainable careers.
- Delivered training to 18 emerging artists through our programs (PACT Ensemble, Vacant Room).
- Supported the creative development of 11 works by 56 emerging artists (Space Program, Vacant Room, PACT Ensemble, PACT Platform, Artist-In-Resident).
- Curated 2 works by emerging artists into ticketed, stand-alone, PACT Presents seasons.
- Engaged local businesses, the community and 47 emerging artists to deliver Tiny Stadiums festival at PACT and in and around Erskineville.
- Delivered a week-long festival program of 5 performance works and 6 musicians incorporated into Sydney Fringe, 2 of which have/are touring to other cities.
- Hosted 4 themed dialogue sessions engaging a total of 105 emerging artists, artists, non arts professional and audiences (*Saturday Sessions*).
- Awarded 1 UK travel scholarship, 1 Melbourne Fringe Award for Best Experimental Performance and 1 Mentorship Scholarship.
- Delivered a Cultural Leadership program for emerging curators.
- Partnered with a Western Sydney company and interstate companies to extend the life of 2 programs.
- Mentored emerging artists, 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 Festival, Underbelly Arts, UNSW and University of Wollongong).
- Supported 15 community organisations and companies through venue hire.

### **50 YEARS ON THE EDGE**

Presentations and performances from Uncle Ray Davison, Grahame Bond, Lucille Lehr, Nick Atkins, Tom Christophersen, Peter Campbell, the 2014 PACT Ensemble, Chris Ryan, post, Matt Prest, Gideon Payten-Griffiths, Jackson Davis, Carly Young, Ryan McGoldrick, Anna Messariti, Caitlin Newton Board, Regina Heilmann, Chris Murphy, George Mannix, Katrina Douglas, Andrew Symes and the Lord Mayor of Sydney Clover Moore.

### **ENSEMBLE**

HERSELF the Experiment - PACT ensemble 2014

Rachel Bennell, Kate Bobis, Marie Chanel, Melanie Eden, Caroline Garcia and Isabella Phillips

Director: Latai Taumoepeau

### **PACT PLATFORM**

ROOM – Earthcrosser Company: Shy Magsalin, Melanie Herbert and Liam O’Keefe

WELCOME TO SLAUGHTER - Michelle Robin Anderson

LOVELY – re:group performance collective: Carly Young, Jackson Davis and Ryan McGoldrick

**PACT PRESENTS**

**QUEER ACTIONS:**

A BOY & BEAN – Nick Aktins  
UNSEX ME – Mark Wilson

**SYDNEY FRINGE:**

ALL THE SINGLE LADIES – The Cutting Room Floor  
HIM – Coleman Grehan  
BODYSCAPES – Mary Mainsbridge  
CIRCAHOLICS ANONYMOUS  
CARAVAN SLAM  
FRINGE MUSIC – Andy Calvert, Ella Carstein, Fleur Wiber, Amy McKnight, Lisa Caruso & Fruits.

**TINY STADIUMS:**

TROJANS (Theatre) – Natalie Randall and Malcolm Whittaker TeamMESS  
FANTASY LIGHT YOGE – Deep Soulful Sweats  
A MANUAL FOR TIME TRAVEL – Frances Barrett  
GIRLS TO THE FRONT – Hissy Fit  
UNTIL DISTANCE PASSES – Lottie Consalvo  
STORYTITLE – Mook Gwa Institute  
LET THEM EAT CAKE (Public Program) – Julia and Susie & Co  
THE PEOPLE’S WEATHER REPORT (Public Program) – with City of Melbourne’s Arts House

**CREATIVE DEVELOPMENT**

**ARTIST IN RESIDENT:**

RE:GROUP PERFORMANCE COLLECTIVE – Carly Young, Jackson Davis, Ryan McGoldrick

**VACANT ROOM:**

BUSINESS UNFINISHED – Tom Christophersen; Mentor Margie Breen  
DON’T STOP THINKING ABOUT TOMORROW – Sabrina D’Angelo; Mentor Matt Prest  
POSE BAND – Rebecca Jensen; Mentor Brian Fuata and Lizzie Thomson

**SPACE PROGRAM:**

END USER: OR, SNOW – Skye Gellmann  
THE BLOCK – The Violent Romantics  
LAP OVERLAP – Maria White  
ASSEMBLIES FOR ONE BODY – Rhiannon Newton

**SATURDAY SESSIONS**

**Saturday Session #1: Queer Act/ing – acting queer, where we sit**

Nick Atkins, Mark Wilson, Dean Walsh, Jane Grimley, Sarah Coconis, Victoria Spence, Julie Vulcan, Brian Fuata, SeanJorvn (Colin Kinchela and Gavin Walters)

**Saturday Session #2: Immersing an Audience**

Shy Magsalin, Melanie Herbert, Katrina Douglas, Michelle Robin Anderson, Sue Healey, Clare Britton, Jimmy Dalton, Lucy Parakhina, David Clarkson, Samuel James, Gail Priest, Danielle O’Keefe.

**Saturday Session #3: The Importance of Failing**

Chris Ryan, Katrina Douglas, Augusta Supple, Simone Douglas, Matt Prest, Latai Taumoepeau, Margie Breen, Tom Decent, Cate Carey.

**Saturday Session #4: The Art of Experimental Thinking**

Eliza Sarlos, Frank Newman, Pip Wittenoom, Katrina Douglas, Dexter Cornelius, Emma Dortins, Justin Koonin.

**BBM 2014 Awardee**

Christie Woodhouse

**CULTURAL LEADERSHIP PROGRAM**

Amelia Wallin

Maria White

**IBMA SCHOLARSHIP**

Rhiannon Newton

**GOAL 2: Be recognised nationally and internationally as a leading centre for emerging artists engaged in experimental forms.**

In 2014, 1427 attendees saw work developed, produced and presented at PACT. 2014 was the company's 50<sup>th</sup> Anniversary and PACT celebrated with a one-off performance *50 Years On The Edge*. This unique event showcased performances and presentations by alumni from across the last 50 years. An external publicist was employed for the event resulting in significant media interest and a substantial increase in the company's public profile. This investment has had an ongoing and positive impact on the company with mainstream, alternate and independent media showing greater interest in showcasing and reviewing PACT's projects.

During 2014, PACT partnered with a number of national and international companies including Melbourne Fringe Festival, the Q Theatre Company, the Sydney Gay & Lesbian Mardi Gras, the Sydney Fringe Festival, Bundanon Trust, Proximity Festival, UNSW, University of Wollongong, the City of Melbourne's Arts House and the Junction Theatre Cambridge UK.

In 2014 artists performed work developed and/or presented by PACT across the country and internationally. *A Boy & A Bean* by Nick Atkins toured to Penrith and the International Gay Theatre Festival in Dublin Ireland; *Welcome To Slaughter* by Michelle Robin Anderson toured to the Blue Room, Perth; and Rhiannon Newton's *Assemblies For One Body* had a public showing as part of NEXT STAGES, Dancehouse Melbourne, before touring internationally to NAGIB ON STAGE Slovenia. Plus a significant number of PACT's alumni featured in performance seasons nationally and internationally including Lara Thoms, Zoe Coombs Marr, Geoffrey Atherden, Halcyon Macleod, Melanie Herbert, post, TeamMESS, Malcolm Whittaker, Matt Prest, Caroline Garcia and Rebecca Jensen.

PACT continued to build and seek out new audiences. The Sydney Fringe program was condensed to a week-long season to maximise audiences through festival-style programming. This shift successfully brought new audiences to PACT. In particular, the outdoor program attracted many local Erskineville residents. *HERSELF the experiment*, *Trojans* and *Lovely* all had strong audience numbers and sell-out shows within their respective seasons. Audiences for *Saturday Sessions* increased by over 25% across the year, with 10 people attending the first session, to 40 people going to *Session #3* and 30 taking part in *Session #4*. PACT's membership dropped slightly to 54 members however there was no targeted membership drive and the company is now considering the best ways to actively attract and engage members.

PACT continued developing its website as a resource for artists as well as a tool to enhance the company brand. The website saw a notable increase in unique visitors with 65% being new visitors to the site.



Social media networks grew steadily over the year with a 10% increase in followers of twitter, instagram and facebook.

**GOAL 3: Have a culture of loyalty within PACT's constituents and alumni to encourage a reciprocal environment of support, exchange and stability**

In the company's 50<sup>th</sup> Anniversary year, re-engaging and activating alumni was a priority. Alumni gatherings and discussions were held in the lead up to *50 Years On The Edge* and personal contact was made with artists, managers and technicians who had worked with PACT over the last 50 years. This hard work was a resounding success and alumni, many of whom had been completely disconnected, returned to PACT and continue to provide support and assistance to the company and current artists.

PACT staff actively encouraged cross-pollination between programs with artists participating in multiple projects rather than only one. re: group performance collective, PACT's Artist in Resident, were an active and important part of the company throughout the year attending *Saturday Sessions*, hosting *50 Years On The Edge* and supporting their peers by coming to showings and all PACT Presentations. Formal and informal gatherings were scheduled for the Vacant Room artists so they could support each other's work and discuss their practice. Ensemble artists formed a close bond and established important life-long friendships and peer networks.

**GOAL 4: Have a management structure that supports delivery of the organisation's purpose while remaining responsive to change.**

2014 saw big changes in the PACT team, with the resignation of Artistic Director Cat Jones, who was on sabbatical up to her departure. Acting Artistic Director / CEO Julie Vulcan also resigned to take up exciting international performance opportunities. Katrina Douglas stepped into the Artistic Director / CEO, starting with the company in March 2014.

The PACT Board was bolstered with the appointment of Nathan Bennett. Jessa Boanas-Dewes and Guy Harding both resigned due to heavy work commitments. Volunteer and internship opportunities through Ensemble, Sydney Fringe and Tiny Stadiums saw 24 volunteers and interns engage with PACT.

The organisation's policies and procedures manual was completed and approved by the Board. Planning was initiated in preparation for a new 2016 - 2021 Strategic Vision and Plan. The building received important repairs and upgrades with the leaks in the theatre roof repaired, the toilet block roof replaced, new sensor lighting installed in the toilets and a new roller door put into the theatre.

**GOAL 5: Be financially sustainable by investing in human resources and increasing non-grant income streams.**

PACT successfully increased non-grant income through a second Gold Brick Wall campaign that was run alongside the 50<sup>th</sup> Anniversary celebrations. This campaign successfully attracted \$5,500 in donations. The company also ran its first crowd-funding campaign, which attracted over \$10,000 in donations for *Tiny Stadiums*.

In 2014 PACT invested a considerable proportion of its cash reserves back into the company. This investment was directed toward increasing the company profile, reinvigorating the PACT brand and *50 Years On The Edge*. This decision was made in the long-term interest of PACT's mission and the company goals, notably Goal 2 and Goal 3. This investment successfully reignited interest in PACT from artists,

alumni, the industry, media and the wider community. This investment has resulted in PACT reporting a strategic deficit at the end of 2014. The 2015 budget has been set to return to profit and there has been considerable planning and work initiated to ensure that the company increases and diversifies income streams to ensure PACT's long term sustainability.

## 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 2014 there were 55 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 12 and forms part of the Committees' report for the year ended 31 December 2014.

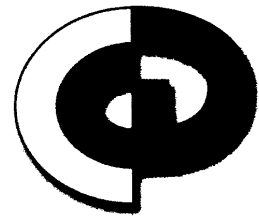
Signed in accordance with a resolution of the committee members:



**Andrew Symes**  
Chair  
Sydney  
30 March 2015



**Brian Keogh**  
Treasurer  
Sydney  
30 March 2015



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

70 Crown Street  
Sydney NSW 2011  
Telephone: (02) 9380 8888  
Fax: (02) 9380 8288  
Email: info@cowellwatts.com.au  
Partners:  
Christopher P Watts CA  
Andrew Panos CA  
Consultant:  
Bruce N Cowell FCA

**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, 2014, 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: 30 March 2015



Liability limited by the  
Accountants Scheme,  
approved under the  
Professional Standards Act  
1994 (NSW)

## 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.	
Nathan Bennett		Deputy Executive Director at Belvoir with oversight of the company's marketing, audience engagement, corporate partnerships and private philanthropy strategies. Recently returned from the US where he was Director of Development at Philadelphia's Pig Iron Theatre Company. Prior to moving to the US, Nathan held roles as General Manager at Griffin Theatre Company and Company Manager at Bell Shakespeare.	
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.	
Katrina Douglas	Master of Arts Administration Post Dip Dramatic Arts (Direction) BA (Performance Studies, Fine Arts and Aboriginal Studies).	Director and producer with extensive experience creating work for companies across Australia including Information and Cultural Exchange (ICE), Blacktown Arts Centre, Sydney Theatre Company, Metro Screen, Powerhouse Youth Theatre (PYT) and most recently the Q Theatre at Penrith Performing & Visual Arts.	CEO, Finance & Marketing Committees
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
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

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

Name	Qualifications	Experience	Special Responsibilities
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.	
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

### TABLE OF CONTENTS

Statement of comprehensive income

Statement of financial position

Statement of changes in equity

Statement of cash flows

Notes to and forming part of the financial statements

Note 1 - Corporate information

Note 2 – Summary of significant accounting policies

Note 3 – Fees & services income

Note 4 – Resource income

Note 5 – Sponsorship & donations

Note 6 – Subsidies & grants

Note 7 – Cash and cash equivalents

Note 8 – Accounts receivables and other debtors

Note 9 – Intangible assets

Note 10 – Plant and equipment

Note 11 – Accounts payables and other payables

Note 12 – Provisions

Note 13 – Income / grants in advance

Note 14 – Permanent reserves

Note 15 – Key management

Note 16 – Lease commitment

Additional financial information

## Statement of comprehensive income

		2014	2013
	Note		\$
<b>Revenue</b>			
Performance income		14,780	24,201
Fees & services	3	10,331	19,345
Resource income	4	24,085	30,898
Sponsorship & donations	5	44,015	14,934
Interest		5,416	8,167
Other income		3,842	4,514
Subsidies & grants	6	315,935	403,912
<b>Total revenue</b>		<b>418,404</b>	<b>505,971</b>
<b>Expenses</b>			
Wages, fees & allowances		288,608	305,292
Program costs		16,151	55,352
Marketing costs		24,713	20,147
Infrastructure costs		116,003	119,896
<b>Total expenses</b>		<b>445,475</b>	<b>500,687</b>
Total comprehensive income / (loss) attributable to members of PACT Incorporated		<b>(27,071)</b>	<b>5,284</b>

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



## Statement of financial position

ASSETS	Note	2014	2013
			\$
<b>Current assets</b>			
Cash and cash equivalents	7	224,734	153,640
Accounts receivable and other debtors	8	990	2,910
Prepayments		15,583	12,422
<b>Total current assets</b>		<b>241,307</b>	<b>168,972</b>
<b>Non-current assets</b>			
Intangibles	9	-	689
Plant and equipment	10	3,677	2,945
<b>Total non-current assets</b>		<b>3,677</b>	<b>3,634</b>
<b>TOTAL ASSETS</b>		<b>244,984</b>	<b>172,606</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts Payable and other payables	11	31,957	19,667
Provisions	12	9,282	5,287
Income in advance	13	124,102	40,938
<b>Total current liabilities</b>		<b>165,341</b>	<b>65,892</b>
<b>TOTAL LIABILITIES</b>		<b>165,341</b>	<b>65,892</b>
<b>NET ASSETS</b>		<b>79,643</b>	<b>106,714</b>
<b>EQUITY</b>			
Reserves	14	3,832	3,832
Retained surplus		75,811	102,882
<b>TOTAL EQUITY</b>		<b>79,643</b>	<b>106,714</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 2013</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>
Loss attributable to members	(27,071)	-	(27,071)
<b>Balance as at 31 December 2014</b>	<b>75,811</b>	<b>3,832</b>	<b>79,643</b>

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

## Statement of cash flows

		2014	2013
	Note		\$
<b>Cash flows from operating activities</b>			
Cash received in the course of operations		108,870	104,941
Receipts from appropriations/grants		513,379	277,658
Interest received		5,416	8,167
Payments made to suppliers and employees		(554,322)	(477,490)
Net cash in from operating activities		<u>73,343</u>	<u>(86,724)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant & equipment		(2,249)	(662)
Payments for intangibles		-	-
Net cash used in investing activities		<u>(2,249)</u>	<u>(662)</u>
Net increase / (decrease) in cash held		71,094	(87,386)
Cash and cash equivalents at beginning of the financial year		153,640	241,026
<b>Cash and cash equivalents at the end of the financial year</b>	<b>7</b>	<u><u>224,734</u></u>	<u><u>153,640</u></u>

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 2014 and was authorised for issue in accordance with a resolution of the committee members dated 24 March 2015.

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.

## 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:

	2014 %pa	2013 %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 2014

## 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 2014

**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 2015 grant funding has been approved and it is expected the company will be able to continue in its normal capacity.

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>3 Fees &amp; services</b>		
Auspice fee	2,000	3,650
Management Fee (Projects)	4,704	11,168
Membership fees	327	227
Program Participant Fees	3,300	4,300
	<b>10,331</b>	<b>19,345</b>
<b>4 Resource income</b>		
Venue Hire	23,950	30,653
Venue Tech Support	-	245
Equipment Hire	135	-
	<b>24,085</b>	<b>30,898</b>
<b>5 Sponsorship &amp; donations</b>		
General donations	20,120	4,034
Matched donations – Pozible campaign	10,000	-
BBM	11,000	10,000
Ian Bowie Memorial Association	900	900
Erskineville Hotel	1,995	-
	<b>44,015</b>	<b>14,934</b>

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2014

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

	2014 \$	2013 \$
<b>6 Subsidies &amp; grants</b>		
Arts NSW - Annual program	76,350	76,350
Arts NSW - Tiny Stadiums	-	25,000
Australia Council - Triennial funding	152,182	151,350
Australia Council - Cultural leadership	14,294	14,758
Australia Council - Project funding	-	25,220
Australia Council - Auspiced funding	-	36,500
City of Sydney - Project funding	3,000	5,000
City of Sydney - in-kind rental subsidy	67,609	69,734
Creative Partnerships	2,500	-
	<b>315,935</b>	<b>403,912</b>
<b>7 Cash and cash equivalents</b>		
Cash on hand	212	200
Short-term deposits	224,522	153,440
	<b>224,734</b>	<b>153,640</b>
<b>8 Accounts receivable and other debtors</b>		
Trade receivables	1,482	2,910
Less Provision for Doubtful Debts	(492)	-
	<b>990</b>	<b>2,910</b>
<b>9 Intangible assets</b>		
<b>Gross carrying amount</b>		
Opening balance	3,472	3,472
Additions	-	-
Closing balance	3,472	3,472
<b>Accumulated amortisation</b>		
Opening balance	(2,783)	(1,793)
Amortisation expense	(689)	(990)
Closing balance	(3,472)	(2,783)
<b>Net book value</b>		
<b>As at 31 December</b>	<b>-</b>	<b>689</b>

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

**10 Plant & equipment**

<b>2014</b>	Theatre equipment	Leasehold improvements	Office equipment	Total
<b>Gross Carrying Amount</b>				
Balance at 31 December 2013	16,069	214,577	19,193	249,839
Additions	-	-	2,249	2,249
Balance at 31 December 2014	16,069	214,577	21,442	252,088
<b>Accumulated Depreciation</b>				
Balance at 31 December 2013	(14,086)	(214,577)	(18,231)	(246,894)
Depreciation expense	(801)	-	(716)	(1,517)
Balance at 31 December 2014	(14,887)	(214,577)	(18,947)	(248,411)
<b>Net Book Value</b>				
<b>As at 31 December 2014</b>	<b>1,182</b>	<b>-</b>	<b>2,495</b>	<b>3,677</b>
<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>

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2014

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

	2014	2013
	\$	\$
<b>11 Accounts payable and other payables</b>		\$
Unsecured trade creditors	2,427	801
Net GST payable	8,202	(1,815)
Sundry creditors & accruals	21,328	20,681
	<b>31,957</b>	<b>19,667</b>
<b>12 Provisions</b>		
Provision for annual leave	9,282	5,287
	<b>9,282</b>	<b>5,287</b>
<i>Analysis of total provision</i>		
Current	9,282	5,287
Non-current	-	-
	<b>9,282</b>	<b>5,287</b>
<b>13 Income / grants in advance</b>		
<i>Grants in advance</i>		
Australia Council - Cultural leadership	-	14,294
Arts NSW	76,623	-
BBM	-	11,000
Hotel Erskineville - Tiny Stadiums	-	1,995
City of Sydney - in-kind rental subsidy	5,717	5,551
City of Sydney - Rapid Response	10,000	-
<i>Other income in advance</i>		
Security bonds	2,000	2,900
Box office income	25	
Auspiced Income - Musecology	1,198	1,198
Auspiced income - Stage Juice	4,000	4,000
Auspiced income – Heather Judd	4,539	-
Auspiced income – Hissy Fit	20,000	-
	<b>124,102</b>	<b>40,938</b>

FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2014

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

**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	<u>3,832</u>	<u>3,832</u>

**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 (to 30/01/15)

**16 Lease commitments**

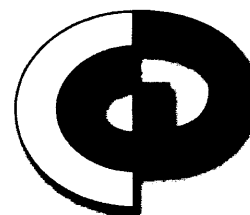
Operating lease commitment - office rent

Payable - minimum lease payments:

- not later than 12 months	7,203	6,993
- between 12 months and five years	3,655	10,858
	<u>10,858</u>	<u>17,851</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 \$67,609 in 2014 (2013: \$\$69,734)

## Independent auditor's report



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

70 Crown Street  
Sydney NSW 2011  
Telephone: (02) 9380 8888  
Fax: (02) 9380 8288  
Email: [info@cowellwatts.com.au](mailto:info@cowellwatts.com.au)  
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 2014, 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 certification by the members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

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

The committee of the association is responsible for the preparation and fair presentation of the financial report 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 and fair presentation 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 association's preparation and fair presentation of the financial report 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 association's committee, as well as evaluating the overall presentation of the financial report.



Liability limited by the  
Accountants Scheme,  
approved under the  
Professional Standards Act  
1994 (NSW)

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 2014 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 30 day of March 2015

## Committee members' declaration

The committee members declare that:

- (a) the financial statements and notes set out in pages 15 to 29 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 2014 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  
30 March 2015



**Brian Keogh**  
Treasurer  
Sydney  
30 March 2015



ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDING 31 DECEMBER 2014

**Schedule 1 - Summarised financial results - Auspiced projects**

<b>2014</b>	<b>Ref</b>	<b>Musecology</b>
<b>Income</b>		
Brought forward from last year		1,198
Earned income		-
Grants & subsidies	Sch 2	2,000
<b>Total income</b>		<b>3,198</b>
<b>Expense</b>		
Wages, salaries & fees		-
Other costs		2,000
Carried forward to next year		1,198
<b>Total expense</b>		<b>3,198</b>
<b>Net surplus / (deficit)</b>		<b>-</b>

ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDING 31 DECEMBER 2014

**Schedule 2: Auspiced project grants & subsidies**

<b>2014 Subsidies &amp; Grants</b>		Grants b/fwd	Grants received	Grants applied	Grants c/fwd
<i>Funding Body</i>	<i>Project</i>	<b>2013</b>	<b>2014</b>		<b>2015</b>
City of Sydney	<i>Musecology</i>	1,198	2,000	2,000	1,198
Australia Council	<i>Stage Juice</i>	4,000	-	-	4,000
Australia Council	<i>Heather Judd</i>	-	4,539	-	4,539
Australia Council	<i>Hissy Fit</i>	-	20,000	-	20,000
<b>SUBTOTAL</b>		<b>5,198</b>	<b>26,539</b>	<b>2,000</b>	<b>29,737</b>