



Jess Ribeiro, The Lighthouse Arts Collective  
Photo: Nick McKinlay



# Contents

## 02 Section 1: Our Purpose

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- 04 Who we are and what we do
- 05 Our Goals
- 06 From our Chair
- 07 From our CEO

## 10 Section 2: Our Performance

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- 11 Our year at a glance
- 12 The Australian Cultural Fund
- 16 Funding Programs
- 17 Plus1
- 20 MATCH Lab
- 26 Coaching and Mentoring
- 29 Sector Development and Events
- 33 Research, Trends and Insights into Private Giving
- 34 Creative Partnerships Awards

## 35 Section 3: Management and Accountability

---

- 36 Company Structure
- 36 Corporate Governance
- 36 Audit and Risk Committee
- 36 Financial Management
- 37 Risk Management
- 37 Organisation Chart
- 37 Locations
- 38 Reporting Compliance Index

## 41 Financial Report

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# Our Purpose

Our purpose is to foster a culture of private sector support for the arts in Australia; to grow a more sustainable, vibrant and ambitious cultural sector for the benefit of all Australians.





# Who we are and what we do

Our purpose is to foster a culture of private giving to the arts.

What do we mean by private giving? Simply, any funding from private sector sources, such as donors, philanthropists, trusts, foundations, or business support, whether financial, in-kind or other forms of partnerships.

We support artists and arts organisations to develop fundraising skills, build relationships with donors, philanthropists and business and find diverse, innovative and collaborative ways to fund their practice.

We invest in the professional and business development of the cultural sector; work with philanthropists and business to facilitate, celebrate and champion arts partnerships and investment; and deliver matched funding programs for artists and arts organisations.

We also administer the Australian Cultural Fund, a fundraising platform for Australian artists and arts organisations that facilitates tax-deductible donations to the arts.

The Perception Experiment Performance  
Photo: Pippa Samaya

# Our goals

## 1.

Grow the culture of giving and volunteering to support the arts, bringing donors, businesses, artists and arts organisations together.

## 2.

Assist Australian artists and arts organisations to attract and maintain support from donors and business, diversifying their sources of revenue.

## 3.

Encourage and celebrate innovation and excellence in giving to and partnerships with the arts.

## We achieve these by focusing on five key areas



### Advocacy

Build philanthropic and business sentiment around the value of supporting the arts



### Providing Expertise

Be an informed and influential source of expertise about private giving to the arts



### Building Capacity

Build the development and fundraising skills and capabilities of artists and arts organisations



### Partnering

Facilitate and incentivise financial and in-kind support for artists and arts organisations from donors and business



### Demonstrating Value

Be an efficient and effective organisation, providing high quality programs and services that are valued by the cultural sector and other stakeholders

# A message from our Chair Catherine Walter AM



On behalf of the Board of Creative Partnerships Australia, it is my pleasure to present our 2018-19 Annual Report.

My sincere thanks go to my predecessor, Carol Schwartz AO, who was the inaugural Chair of Creative Partnerships Australia and was instrumental in establishing it as a valuable government agency, contributing to the sustainability of the Australian arts sector. Similarly, thanks go to Board members Michael Smith and Brett Torossi, whose terms finished during this year, each of whom made a significant contribution to the development of the agency.

We have welcomed new members Leonard Vary, Adjunct Professor the Hon Chris Pearce and John Barrington AM to the Board, which dedicates itself anew to the important mission of Creative Partnerships Australia and the arts sector.

In 2018-19 Creative Partnerships Australia has again delivered a range of programs and services to the arts sector including workshops, webinars and masterclasses, coaching and mentoring, and matched funding through the Plus1 and MATCH Lab programs.

These matched funding programs have delivered more than \$3.53 million to the sector, in addition to the \$6.47 million that is being channeled to artists and arts projects through the Australian Cultural Fund. The Australian Cultural Fund continues to grow, providing an easy to use platform for artists seeking support for their work.

Many of these projects are the subject of case studies on Creative Partnerships Australia's website, showcasing the range of work created throughout Australia with the support of generous donors and business partners.

I would like to thank former Minister for Communications and the Arts, Senator the Hon Mitch Fifield, for the support he gave Creative Partnerships Australia, especially in ensuring that Government funding for the organisation is secure into the future. Creative Partnerships Australia welcomes new Minister for Communications, Cyber Safety and the Arts, the Hon Paul Fletcher MP, and looks forward to a cooperative and productive relationship with him and the Government in coming years. We are grateful also to officers from the Department of Communications and the Arts who provide valuable support.

Thank you also to Creative Partnerships Australia's CEO, Fiona Menzies, and her team for delivering a high level of service to the arts sector and continuing to prosecute the case in the broader community for support for the arts. Creative Partnerships Australia's team is represented around the country and regularly travels to regional Australia to provide its services and programs.

Each year, Creative Partnerships Australia recognises and celebrates the role played by donors and businesses in supporting the arts and I thank them for their continued support. In 2018 we recognised the contribution of six people and I would like to again acknowledge and congratulate our 2018 award winners: Tim Fairfax AC and Gina Fairfax, Adrian Fini, the late Richard Gill AO, Mark Rubbo OAM and Beau Neilson.

Finally, our thanks must go to all the dedicated artists and arts workers who produce the wonderful and thought-provoking art that all Australians are able to enjoy.

A handwritten signature in blue ink that reads "Catherine". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

**Catherine Walter AM**  
Chair



# A message from our CEO Fiona Menzies



Creative Partnerships Australia has had a productive and rewarding year, as we continue to support the Australian arts sector to secure private investment through our expertise, programs and resources.

The influence and impact of the Australian Cultural Fund continues to strengthen, with a record \$6.47 million raised through the fund in 2018-19. A total of 538 projects were undertaken and funded, as more artists chose to use the Australian Cultural Fund to support their work.

Similarly, our matched funding projects, Plus1 and MATCH Lab, continue to provide a great incentive for donors and businesses to partner with Government to fund the arts. Demand for these programs significantly exceeds the funds available, demonstrating the role matched funding can play in attracting private sector support.

In the past year we have continued to add to our suite of online resources, providing access to artists and arts organisations in regional and remote communities, and ensuring that arts fundraisers around Australia can find the inspiration and build the skills they need to succeed.

In 2018 we applied the principles of our successful fundraising mentoring program to a pilot mentoring program to assist small arts organisations wanting to improve their management and governance. Five organisations based in Queensland have participated in the pilot and senior arts managers from around Australia have been mentors for these organisations and are addressing a range of issues that face small organisations. Alongside our fundraising mentoring program, this is expected to further build the capacity of small to medium arts organisations and ensure the sustainability of the sector.

Coaching and mentoring were also delivered by Creative Partnerships Australia's national network of State Managers, who work one on one with staff and boards of arts organisations, providing tailored advice and guidance on best practice arts fundraising. They delivered more than 600 coaching sessions to 457 artists and organisations during the year, driving workshops and presentations in arts industry forums.

Creative Partnerships Australia has also delivered and supported workshops, webinars, masterclasses and conferences featuring Australian and international experts, fostering best practice, innovation and networking for the sector.

It is a privilege to lead Creative Partnerships Australia, which is made easy for me due to the people around me. These include Creative Partnerships Australia's wonderful staff, who are passionate about the arts and the difference that our organisation can make for artists, arts workers, arts organisations and arts audiences. They do not all come from arts backgrounds, but they all agree that arts matter.

I would also like to acknowledge the staff of the Department of Communications and the Arts who, at all levels, do everything in their power to support the work of Creative Partnerships Australia.

My thanks again to outgoing Minister, Senator the Hon Mitch Fifield, who secured ongoing funding for Creative Partnerships Australia and was a strong supporter of its work. I look forward to working as closely with our incoming Minister, the Hon Paul Fletcher MP, with our common goal of a vibrant and sustainable arts sector.

I would like to thank the Board of Creative Partnerships Australia. Our inaugural Chair, Carol Schwartz AO, who completed her second term in December 2018, believed deeply in the vision and mission of Creative Partnerships Australia and played an important role in seeing this realised. Several other foundation Board members also finished their terms during 2018-19 and I am grateful for the contribution they each made as well as their support for me as the CEO. Catherine Walter AM stepped into the Chair's role with commitment and energy and, along with other new members of the Board, has continued the work of the team to ensure Creative Partnerships Australia serves the Australian arts sector and the broader community through its work.

I would like to join our Chair in thanking the Australian arts community for their talent, hard work and courage to produce work for all Australians to enjoy.



**Fiona Menzies**  
CEO







# Our Performance

# Our year at a glance



More than **\$6.47 million** donated to the Australian Cultural Fund



More than **600** coaching and mentoring **sessions held** with arts organisations around Australia



**538** arts projects undertaken and **funded** through the Australian Cultural Fund



**12** professional development events **delivered** around Australia



More than **\$3 million** **invested** into the arts sector through Plus1



**Five** arts professionals **mentored** by sector leaders through our Arts Leadership Mentoring Program Pilot



More than **\$519,000** **invested** into the arts sector through MATCH Lab



Creative Partnerships Awards **presented to six** leaders across arts, philanthropy and business from Victoria, New South Wales, Western Australia and Queensland

# The Australian Cultural Fund

WAYT Co-production, cast of cloud nine  
Photo: Daniel James-Grant



This year the Australian Cultural Fund (ACF), our online fundraising platform, channeled more funds to Australian artists and arts organisations than ever before. With a record-breaking year that saw success for a diverse range of campaigns, support through the Australian Cultural Fund ensured projects of all sizes received the resources and tools to reach their fundraising goals.





# ACF Case Study: James Darling and Lesley Forwood

South Australian conceptual artists, James Darling and Lesley Forwood, use their artwork as a vehicle to make social, political, and environmental statements. *Living Rocks: A Fragment of the Universe* was selected as part of the 58th Venice Biennale and using the Australian Cultural Fund, the pair were able to reach new donor audiences to realise their project. The moving image installation comprising of 15 rock formations, submerged in water to create a large-scale sculpture, addressed the question: what was on the planet three billion years ago?

James and Lesley used the Australian Cultural Fund to inform potential funders about their project via video, providing a visual representation of their artistic process to communicate the concepts and processes behind their artistic practice. This built a connection and understanding with their donors and highlighted the breadth of their project. The video was used as a springboard for their campaign and was shared across social, web and press channels to generate interest. This major campaign generated support from individuals and foundations, raising over \$60,000 to support their journey to exhibit at the Venice Biennale.

**“The Australian Cultural Fund gave *Living Rocks: A Fragment of the Universe* a credible public platform for private donors to make tax-deductible contributions to a unique Australian event in the 58th International Art Exhibition, La Biennale di Venezia,” says James.**

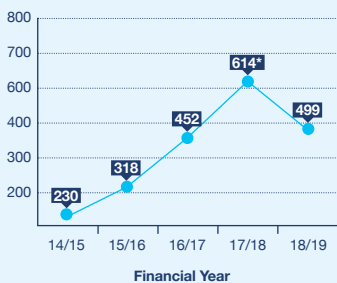
James Darling and Lesley Forwood,  
*Living Rocks: A Fragment of the Universe*  
Photo: Sam Roberts

## Our artists

This year, 499 artists and arts organisations around Australia registered campaigns with the Australian Cultural Fund. Their supporters donated a record \$6.47 million – the highest amount ever received in a financial year. This is an increase of more than 80% on the previous year and well above our 2018-19 target of \$3.5 million.

The significant increase in funds raised through the platform this year is primarily due to a growth in high-level contributions for projects of scale including multiple donations over \$100,000. This growth demonstrates the value of the Australian Cultural Fund for large, long-term fundraising campaigns and donor-led projects.

## Increase in ACF campaigns registered since 2014-15



\* Campaigns in 2017-2018 were enhanced by the running of our one-off matched funding program ACF Boost, which was not repeated in 2018-19.

### Campaigns registered:

**499** (down 19% over last year)

### Average \$ raised by each completed campaign:

**\$6,469** (up 16% over last year)

### Highest \$ raised by a single completed campaign:

**\$188,334** (up 29% over last year)

To promote sustainable fundraising practices, we encourage artists and arts organisations to build long-term relationships with their donors. As a result, 86% of artists who completed an acquittal this year reported continued engagement with their supporters following completion of their campaigns, demonstrating a clear understanding of the value of donor stewardship.

## Our donors

A total of 9,431 art lovers, philanthropists, trusts and foundations donated to Australian Cultural Fund artists and arts organisations this year. 2018-19 saw donors increasing the size of their gifts to the Australian Cultural Fund, offsetting a decrease in the total number of donations made. This is an encouraging trend for artists and arts organisations fundraising through the platform, as it led to a 16% increase in average funds raised per campaign.

This investment in our arts and cultural sector brings the total value of donations to more than \$16 million since the online platform launched in 2014, and more than \$30 million since the fund was established in 2003.

### Average donations per campaign:

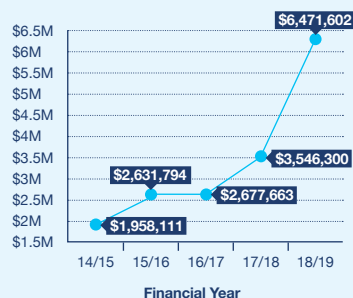
**19** (up 6% over last year)

### Donations over \$10K:

**83** (up 23% over last year)

### Single biggest donation:

**\$1,250,000**



2018-19 saw the largest Australian Cultural Fund donation ever received, with artists and arts organisations using the platform to raise significant funds through major campaigns. While future growth of this kind is dependent on the continued participation of these large-scale campaigns, this year's increase illustrates the Australian Cultural Fund's capacity to operate at a level which sees donations of over \$1 million reach Australian artists and arts organisations.

A total of 1,063 donors returned to the Australian Cultural Fund to donate this year, reflecting the work of both artists and arts organisations in building long-term supporter networks and a broader awareness of the Australian Cultural Fund platform as a tool for facilitating tax-deductible donations.

# Making culture happen



## ACF Case Study: Sanguine Estate Music Festival

Sanguine Estate Music Festival is one of Australia's leading chamber music festivals. Held in Heathcote and Bendigo, the two-day festival is known for its diverse programming of Australian and international artists and showcases the natural beauty of Victoria to a national audience. Across 2018-19, the festival used the Australian Cultural Fund twice to raise funds to engage international artists to perform in their summer program and fund artist travel.

Chris Howlett, Chairman and key fundraiser of Sanguine Estate Music Festival, said he used "the Australian Cultural Fund platform to ensure existing donors felt supported and potential new donors had a seamless transition into the festival's Circle of Friends." The festival's two-part fundraising strategy leveraged support from donors across the year while creating continuous momentum in the lead up to the event.

"A majority of the festival's donors were existing attendees. At the festival, we always acknowledge the support of the donors and talk about how their support enables us to continue to build a world-class festival within a sustainable environment," says Chris.

Sanguine Estate Music Festival received a total of \$29,895 in donations, funding world-class artists to travel and perform chamber music for Australian audiences to enjoy.

To ensure that the Australian Cultural Fund remains relevant and engaged with Australian artists and arts organisations, the Australian Cultural Fund team and State Managers delivered a suite of community engagement activities to promote the Australian Cultural Fund and support users to reach their fundraising potential. In 2018-19 this included presentations at events and conferences across Australia, reinforcing the national remit of the Australian Cultural Fund. This activity within the arts sector is matched with an increased interaction with high net worth individuals and trusts and foundations, raising awareness of the platform to a new community of donors and supporters.

Connecting with more artists and donors online is key to our artist and donor engagement activity and this year saw the Australian Cultural Fund online community continue to grow. Web traffic has remained steady, with the site receiving over 556,000 views from more than 158,000 unique visits.

Social media channels remain an important way of guiding online visitors to the Australian Cultural Fund, with platforms such as Facebook and Instagram responsible for 32% of all traffic to the Australian Cultural Fund site this year. Visitors from a search engine such as Google increased by 38% this year, demonstrating the success of our search engine optimisation activity.

Readership of the Australian Cultural Fund eNews remains an important resource with more than 7,000 subscribers using this service to aid their fundraising knowledge across 2018-19.

The Australian Cultural Fund artist dashboard is designed to enable artists to view the progress of their campaign and engage with their supporters. The artist dashboard is the most popular area of the site with over 556,000 page views, showing the importance of live information and donor data to users' fundraising strategies.

Access to tailor-made content on fundraising, crowdfunding, campaign planning and budgeting is a key component of the Australian Cultural Fund program and continues to be fundamental to Australian Cultural Fund users completing successful campaigns. This year, 22 resources on fundraising skills and strategies were developed and published on the Australian Cultural Fund site. Artist and donor profiles on the Australian Cultural Fund blog, featuring stories of successful campaigns and passionate arts supporters, saw the blog continue to be one of the most viewed areas on the Australian Cultural Fund site with 17,311 views.

# Our Funding Programs

Our matched funding programs help independent artists and small to medium arts organisations boost their fundraising, secure new donors and partnerships, and strengthen their networks. Rewarding clear strategy and a creative approach to fundraising, they facilitate increased fundraising skills and support the sector to diversify its revenue. Ultimately, this enables artists and arts organisations to reach their artistic goals through sustainable funding models and practice.

Sarah Bolt, NORPA *Djurra*  
Photo: Kate Holmes

Plus1 is a matched funding program designed to enhance the fundraising efforts of small to medium-sized arts organisations.

In 2018-19, Creative Partnerships Australia provided \$1.39 million in matched funding through Plus1. The 46 organisations that participated in the program raised a total of \$1.61 million, with some organisations significantly exceeding their matched funding target.

The overall investment to the arts sector from Plus1 was over \$3 million, supporting fundraising campaigns for artforms including theatre, visual arts, chamber music and community arts.

Plus1 encourages participating organisations to approach their fundraising in creative ways, attracting new supporters and amplifying the support of their current networks. This year, arts organisations raised an average of over \$35,000 per campaign and secured a total of 5,705 donors. Of those, 68% were new donors. Each campaign averaged 124 donors.

Matched funding provides a compelling opportunity for supporters to multiply the impact of their gift. With assistance from Plus1, more than 86% of this year's participating organisations met or exceeded their fundraising target by an average of \$5,724.

Our leverage impact remained steady with Plus1 organisations raising \$1.15 for every \$1 matched by us.

**46**  
fundraisers

**5,705**  
donors

**\$1.61 million**  
raised

**\$1.39 million**  
matched by us

more than  
**\$3 million**  
invested

# Plus1

Polyglot, Tangle  
Photo: Wendy Kimpton





# Plus1 Case Study: Durmu Arts Aboriginal Corporation



Located in the Northern Territory community of Peppimenartim, Durmu Arts Aboriginal Corporation offers arts education, training and services to over 200 local and neighbouring community members. In 2018-19, they set goals to develop their services and used the Plus1 program to double the impact of their fundraising efforts. Through the support of over 40 community members, Durmu Arts Aboriginal Corporation reached their fundraising goal of \$25,000.

The centre used their Plus1 campaign to reinforce their supporter base and introduce formal infrastructure to their organisation, strengthening

their relationship within the local Territory community. Creative Partnerships Australia's added incentive of matched funding helped leverage support from new and existing donors who shared the corporation's vision to contribute to the positive development of remote Aboriginal communities through culture.

Matched funds allowed Durmu Arts Aboriginal Corporation to employ a Partnerships Manager who, alongside their CEO, will raise awareness of their programs and work with private, philanthropic and government sectors to support a lasting and sustainable arts corporation.

**“We were really thrilled to reach the \$25,000 target, and know that for many people, the incentive of knowing that their donation would be matched dollar for dollar was the driver to give to an organisation that they either already supported, or were interested to support,” says Bronwyn Lobb, Development and Partnerships Manager at Durmu Arts Aboriginal Corporation.**

## The long-term impact of Plus1

Since 2013 we have supported more than 242 arts organisations through Plus1 to build effective and creative fundraising campaigns. Through all stages of campaign development, delivery and evaluation, participating organisations build new skills to continue their success well beyond the conclusion of their participation in the program. These skills are reinforced by regular and ongoing support from Creative Partnerships Australia.

This year, Creative Partnerships Australia undertook a comprehensive evaluation of

the Plus1 program. The report assessed the evolution of this program from 2014-2018 and outlined the impact this matched funding initiative has had on the Australian arts sector. An overwhelming 98% of Plus1 participants surveyed for this report responded that their experience in the program increased their confidence when approaching new and existing donors for support.

The lasting effects of a Plus1 campaign on participants were clearly demonstrated, with 98% of these organisations reporting that

the donors they gained during the Plus1 program were still donating upon completion of the program.

The report outlined other significant long-term benefits of the Plus1 program, such as the ability for participants to employ dedicated development staff that were able to raise sufficient funds to cover their ongoing employment. Plus1 participation produced a positive cultural shift within organisations with regard to seeking private sector support, ensuring this became a strategic part of organisations' operating activities.



# Plus1 Case Study: Sensorium Theatre

As the sole arts organisation specifically designed for young audiences with disabilities, Sensorium Theatre is unique in the Australian arts sector. They aim to improve the lives of children with disability by sparking their imaginations through art. As Plus1 recipients in 2018-19, their campaign aimed to raise funds for the continued growth of their organisational offerings, which were limited by their reliance on state and federal grants.

Brace & Blast-Off took the company's strong track record in philanthropic fundraising to the next level, ensuring a bright future for their organisation. With solid fundraising foundations and invested donors already in place, Sensorium Theatre was in a strong position to increase donor engagement and enlist new supporters. Through a series of events, the organisation brought together current and new donors to raise funds, receiving donations that ranged \$2,500 to \$10,000 from a pool of 16 supporters. Our Plus1 program provided a helpful platform for the organisation to activate new donor commitment and to deepen the culture of giving.



**“The Plus1 program came at an awesome time for us, when we have, as an organisation, been trying to extend ourselves and really step up. For our existing donors, I think it was really such an attraction to have the promise of matched funding behind the ask for support. Our donors stepped up and gave more, knowing that we were getting that extra backing from Creative Partnerships Australia,” says Leah Maund, Project Coordinator at Sensorium Theatre.**

Sensorium Theatre almost doubled their fundraising target, generating over \$47,000 that was matched dollar-for-dollar by Creative Partnerships Australia. The funds led to pioneering change in theatre for disadvantaged children and their renewed engagement with donors activated long-term donor commitment.

“Creative Partnerships Australia's Plus1 program prompts organisations like ours to really prioritise things like fundraising, donor engagement and relationship management, and private sector partnership building. Because it gets you doing things you may not have done before, like setting up a donor management database, donation page, and running engagement events, it gives you a real opportunity to try things out and be brave.”

# MATCH Lab

MATCH Lab supports artists to build fundraising skills, develop broader arts business knowledge and create sustainable sources of revenue for their work. A development program specifically for independent artists and collectives, MATCH Lab couples a leveraged funding opportunity with long-term skill building to embed key fundraising experience within the independent arts sector.

25 artists were accepted into MATCH Lab this year, with all participants attending Fundraising for Your Art, a two-day professional development and fundraising clinic held in January 2018.

After developing their fundraising strategies, these artists launched their campaigns and raised more than \$322,000 from 2,282 donors by 30 June. With matched funding of more than \$197,000 from Creative Partnerships Australia, more than \$519,000 was invested into the arts sector through this program, an increase of 17% on 2017-18.

*The Iliad – Out Loud*  
Photo: Hugh Hamilton

**25**  
fundraisers


**2,282**  
donors

**\$322,472**  
raised

**\$197,198**  
matched by us

**\$519,670**  
invested





# MATCH Lab Case Study: William Zappa

Actor William Zappa describes his project, *The Iliad — Out Loud*, as the greatest story of heroism, betrayal and war. As a MATCH Lab recipient in 2018-19, William raised funds to perform this production at the 2019 Sydney Festival. Using the Australian Cultural Fund, he exceeded his fundraising goal, raising over \$65,000, with the first \$10,000 matched by Creative Partnerships Australia.

While he knew he could rely on the support of his family and friends, William used MATCH Lab to develop his philanthropic fundraising skills and broaden his donor support base.

**“One thing I learnt was that you need to build networks to create introductions, and that there is no substitute for approaching people in person to tell your story,” says William.**

Working on a tight project timeline, it was important that William had the resources in place to run a successful campaign. He said “the MATCH Lab workshop provided an opportunity to create a strong fundraising plan to set achievable goals for my campaign.”

*William Zappa, The Iliad – Out Loud*  
Photo: Hugh Hamilton



## MATCH Lab Case Study: The Lighthouse Arts Collective

MATCH Lab recipient The Lighthouse Arts Collective is a group of artists and arts workers living in Point Lonsdale, Victoria. The collective emerged from a shared desire to create diverse artistic experiences for their community. Faced with the challenge of finding a new space to run their program, their MATCH Lab campaign sought to raise funds for a new hall which would continue to host their work, helping to empower local artists while enriching the lives of the community.

The collective set out to raise \$10,000 and did so with the support of over 50 people donating to their Australian Cultural Fund campaign. They raised 114% of their target and Creative Partnerships Australia matched their total, enabling them to hire a part-time paid administrator to support and diversify programming and invest in crucial venue infrastructure.

“Being a part of the MATCH Lab program provided The Lighthouse Arts Collective with an opportunity to take a step back and really analyse who we are and what our purpose is before we went to the community and shared our achievements and vision for the future. By developing a campaign strategy that was aligned with the collective’s values and by telling our story in a creative and authentic way — our fundraising efforts became about more than meeting a target,” says Suzie Wyllie, Founder of The Lighthouse Arts Collective.

MATCH Lab helped the collective remain a hub for traditional culture and community development in the Point Lonsdale area. Learning fundraising essentials at the MATCH Lab clinic equipped them with skills to fundraise into the future.

**“Our campaign acted as a unifying force. It fuelled support from the community, started many conversations, and allowed us to create new and important relationships. It showed us that there is a real hunger for creative experiences within our community which is helping to create a permanent place for our work in the cultural landscape of the region.”**

### The long-term impact of MATCH Lab

MATCH Lab is designed so that recipients will develop skills and build resources that will last well beyond their participation in the program.

We keep track of the success of our MATCH Lab artists, as many of them continue with fresh campaigns in the next financial year, well equipped with fundraising knowledge and experience of delivering a successful campaign. This, in turn, leads to a new network of supporters that become key advocates for their work and allow them to push the boundaries of their artistic practice.

# Arts Leadership Mentoring Program Pilot

In 2018 Creative Partnerships Australia introduced the Arts Leadership Mentoring Program Pilot, providing an opportunity for arts professionals based in Queensland to set strategic goals, while developing leadership skills to improve performance at an individual and organisational level.

Delivered under Creative Partnerships Australia's mentoring series, this program complements our existing Arts Fundraising Mentorship Program and will continue in 2019 with a South Australian cohort. These programs will inspire participants to lead their organisations to foster, support and nurture fundraising partnerships between the arts and business and help to build a sustainable arts sector.

The five recipient organisations and mentors for 2018-19 were:

Organisation	Mentor
Creative Broadcasters Ltd (4ZZZ)	Anne Frankenberg Deputy CEO Musica Viva
Crossroad Arts Inc	Jade Lillie Freelance Consultant
Digi Youth Arts	Sarah Neal Executive Producer & Co-CEO Malthouse Theatre
KickArts Contemporary Arts	Tarragh Cunningham Assistant Director, Development and Commercial Services QAGOMA
Playlab	Emma Calverley Arts & Cultural Consultant

**“The opportunity to be mentored through Creative Partnerships Australia arrived at a most opportune time for KickArts and myself. Tarragh Cunningham at QAGOMA has been an ideally matched mentor, extremely generous with her time and knowledge. Our Board has also appreciated strategic governance sessions with Tarragh when she has been in Cairns. I hope more arts organisations are able to access this valuable mentorship program.”**

**Ashleigh Campbell**

Director Kickarts Contemporary Arts, mentored by Tarragh Cunningham, Assistant Director, Development and Commercial Services, QAGOMA

**“The mentorship is a great opportunity for us (Playlab) to reinvigorate aspects of our organisation and prepare for the next phase of growth. It brings the gift of objectivity and specific needs-based guidance, which is invaluable in strategic planning.”**

**Ian Lawson**

Artistic Director/CEO Playlab, mentored by Emma Calverly, Arts & Cultural Consultant

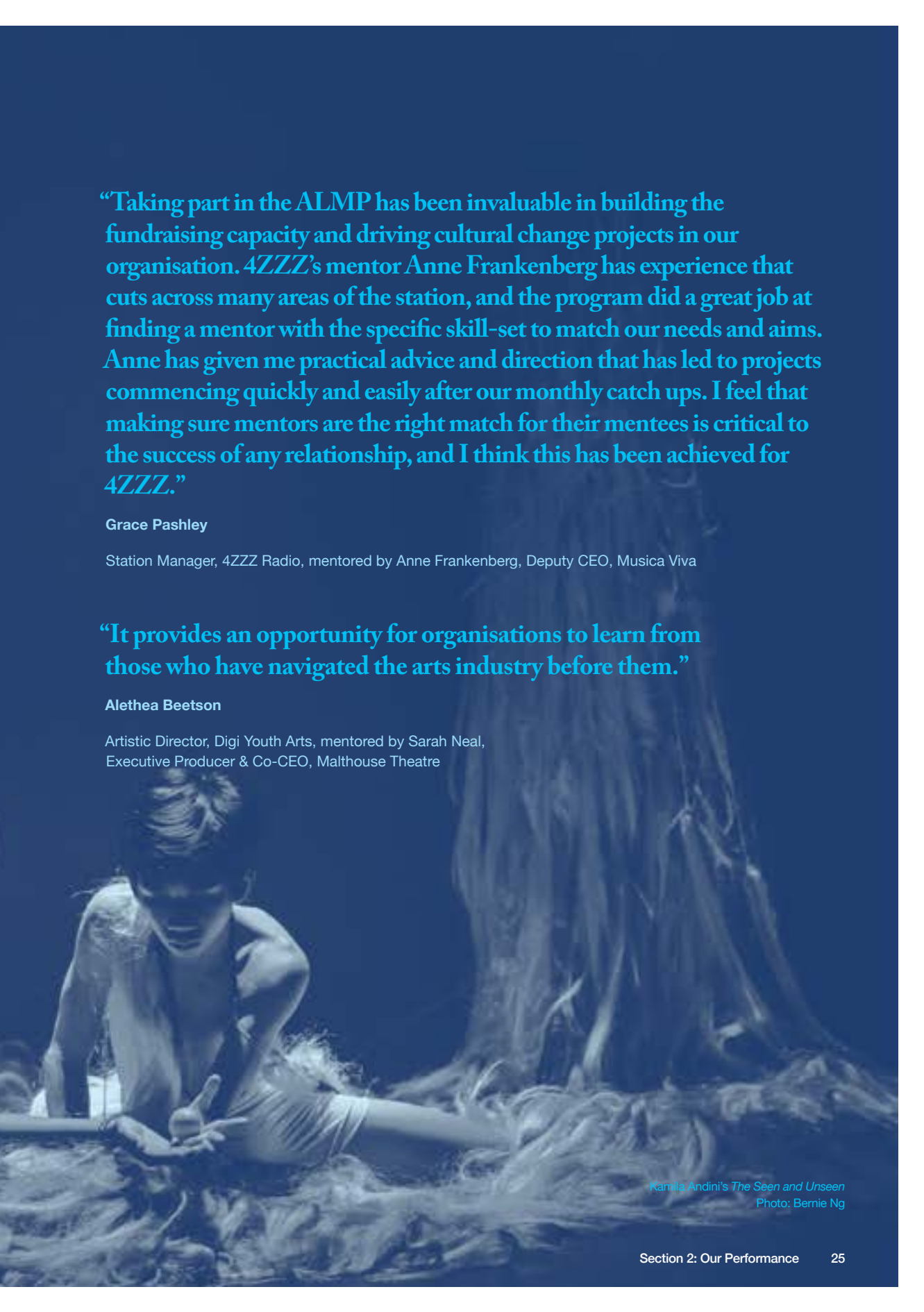
**“Jade’s expertise and guidance has been invaluable to our organisation. She is a great support to key staff and has also run strategic planning sessions with both staff and board that has assisted in further clarifying the company’s vision and mission.”**

**Alison Richardson**

Artistic Director/CEO, Crossroads Arts, mentored by Jade Lillie, Freelance Consultant







**“Taking part in the ALMP has been invaluable in building the fundraising capacity and driving cultural change projects in our organisation. 4ZZZ’s mentor Anne Frankenberg has experience that cuts across many areas of the station, and the program did a great job at finding a mentor with the specific skill-set to match our needs and aims. Anne has given me practical advice and direction that has led to projects commencing quickly and easily after our monthly catch ups. I feel that making sure mentors are the right match for their mentees is critical to the success of any relationship, and I think this has been achieved for 4ZZZ.”**

**Grace Pashley**

Station Manager, 4ZZZ Radio, mentored by Anne Frankenberg, Deputy CEO, Musica Viva

**“It provides an opportunity for organisations to learn from those who have navigated the arts industry before them.”**

**Alethea Beetson**

Artistic Director, Digi Youth Arts, mentored by Sarah Neal,  
Executive Producer & Co-CEO, Malthouse Theatre

Kamila Andini's *The Seen and Unseen*  
Photo: Bernie Ng

# Coaching and Mentoring

Creative Partnerships Australia's State Managers offer tailored advice on a range of organisational and individual needs through our coaching and mentoring service. Providing bespoke support to organisations and their boards, they work directly with artists and arts organisations to strengthen their capacity to raise private sector funds and to promote sustainability in the arts fundraising profession.

Coaching and mentoring from State Managers improves fundraising readiness across a range of key areas including fundraising strategy, identifying innovative revenue sources and securing effective and mutually beneficial business partnerships. Our State Managers provide arts organisations with the skills to fundraise in a way that works best for them and yields long-term results.

This year, a total of 617 coaching and mentoring sessions with 457 artists and arts organisations occurred across Australia. There was a continued focus on small to medium companies as they sought advice and knowledge on challenges unique to this segment of the arts sector, such as practical fundraising planning, identifying key fundraising messages and discovering their base of support. As many of these organisations operate without dedicated fundraising staff, coaching from our State Managers allows them to develop an effective and resourceful fundraising strategy.

Some of the companies that participated in state-based coaching and mentoring this year include:

ACT Writers Centre (ACT) • Belconnen Arts Centre (ACT) • Canberra Youth Theatre (ACT) • Carriageworks (NSW) • Cementa (NSW) • Urban Theatre Projects (NSW) • Biennale of Sydney (NSW) • Darwin Visual Arts Association (NT)

• Darwin Festival (NT) • Durmu Arts Aboriginal Corporation (NT) • Watch This Space (NT) • NT Writers' Centre (NT) • Cairns Indigenous Art Fair (QLD) • Dancenorth (QLD) • Flipside Circus (QLD) • Heart of Cold International Short Film Festival (QLD) • 4ZZZ Creative Broadcasters (QLD) • Adelaide Festival of Arts (SA) • Adelaide Fringe (SA) • Carclew (SA) • State Opera of South Australia (SA) • Green Music Australia (TAS) • Stompin (TAS) • Tasmanian Museum and Art Gallery (TAS) • Terrapin Puppet Theatre (TAS) • Australian International Documentary Conference (VIC) • Centre for Contemporary Photography (VIC) • Duldig Studio (VIC) • Next Wave (VIC) • Stephanie Lake Company (VIC) • Wangaratta Jazz Festival (VIC) • Barking Gecko Theatre Company (WA) • Burbury Regional Art Galleries (WA) • CinefestOZ (WA) • Freeze Frame Opera Inc (WA)



## Case Study: Watch This Space

Based in Alice Springs/Mparntwe, Central Australia, Watch This Space is an Artist Run Initiative (ARI) focused on contemporary experimental arts. They provide a constructive environment for artists to develop, collaborate and experiment through exhibitions, residencies, festivals and performances within a supportive onsite studio community, all of which requires consistent donations and philanthropic support to ensure successful operation.

Through the support and guidance of our bespoke coaching and mentoring service, Watch This Space worked with Creative Partnerships Australia's State Manager for the Northern Territory to set strong and achievable organisational goals to lead their organisation into the future. This led to launching *25 More*, a campaign to celebrate 25 years of the organisation's operation. The aim of this campaign was to build donor support and ensure Watch This Space was well placed to support their local community for another 25 years. Advice focussed on developing a structured approach to philanthropy, culminating in a revitalised vision

to convert strong community support for the ARI. Their campaign raised \$25,000 from individual donations and increased their donor base from four to 140, enabling the development of new media and business partnerships.

With ongoing coaching and mentoring, Watch This Space remains committed to developing sustainable fundraising strategies, utilising the skills learnt from their successful campaign to increase philanthropic donations and partnerships.

**“With the funds raised we will continue creating and presenting new artistic work in our unique context; keep expenses down for exhibiting and resident artists; support the development, production and promotion of new work; and provide travel funds for Central Australian artists to ‘go there’ and interstate artists to ‘come here’,” says Godoroja-Prieckaerts, Director of Watch This Space.**

Watch This Space, Lofty Awards Night,  
Frankie Snowden performance  
Photo: Emma Collard



## Case Study: Duldig Studio – museum + sculpture garden

Duldig Studio – museum + sculpture garden is an active teaching space for Victorian students of all ages to engage in the creation of sculpture, painting and drawing. On receiving Plus1 in 2018-19, Duldig Studio engaged with Creative Partnerships Australia’s State Manager for Victoria and Tasmania to help guide their Plus1 fundraising strategy.

Through a series of consultations, Duldig Studio devised a project plan that included an art auction, enhancing their individual giving programs and aligning a leveraged fundraising program over and above the Plus1 campaign. All of the strategies outlined in their fundraising campaign were a success, reaching their \$20,000 target which was matched by Creative Partnerships Australia.

**“The Creative Partnerships Australia Plus1 pledge gave the studio the confidence to invite multiple participants, donors and sponsors to become part of its fundraising project and contribute to the care and presentation of its significant art and history collections. Fundraising with the encouragement of Creative Partnerships Australia proved capacity building for Duldig Studio and was excellent for the museum’s profile and networks,” says Lyndel Wischer, Museum Director Duldig Studio – museum + sculpture garden.**

Duldig Studio – museum + sculpture garden will use these funds to produce several short videos to document and define the Duldig collection to new audiences. These videos will inspire a new generation of artists and will be played to over 20 school and tertiary classes who visit the studio every year.

Clay Workshop for Children  
Photo: Duldig Studios



# Sector Development and Events

Our annual series of professional development events provides artists and arts organisations access to expertise and best practice from Australia and internationally, offering the chance to network with and learn from their peers. These activities build a more knowledgeable, confident and sustainable arts sector through supporting the arts fundraising profession and inspiring an all of organisation approach to securing private sector support.

In 2018-19, the Fundamentals of Arts Fundraising was not included in the delivery of our sector development suite, as we focused on the development of a digital version of this program. Due to be released in late 2019, this online resource will allow greater access to this program for fundraisers across Australia. Creative Partnerships Australia will continue to deliver the Fundamentals of Arts Fundraising as a workshop next year, alongside this online resource.

The key objective of these sector development initiatives is to increase the capacity of artists and arts organisations to fundraise, develop in-kind support and build partnerships with businesses, donors and investors.

Spinifex Gum  
Photo: Daniel Pockett

# Our events

## Cairns Q&A with Paul Gurney | Presentation

**Where:** Cairns

**Attendees:** 39

## Building a case for support with Jane Wentworth | Masterclass

**Where:** Adelaide, Brisbane, Canberra,  
Hobart, Melbourne, Perth, Sydney

**Attendees:** 242

## Northern Rivers Q&A with Paul Gurney | Presentation

**Where:** Northern Rivers

**Attendees:** 30

## From nothing to something: Growing donations with Este Darin-Cooper | Workshop

**Where:** Canberra

**Attendees:** 32

## Donor Circles with James Boyd | Webinar

**Where:** Online

**Attendees:** 135

## Creative Partnerships Australia + Nexus Australia with Este Darin-Cooper | Panel Discussion

**Where:** Sydney

**Attendees:** 33

In addition to events hosted and produced by Creative Partnerships Australia, staff were guest presenters at 33 peak industry sector events, forums and conferences; facilitating networking activities with CEOs, Boards, fundraising staff and the local philanthropic community.



# Our partnerships

Our partnership strategy in 2018-19 saw us continue to work with organisations across the not-for-profit and arts sectors to identify and explore innovative and emerging models of fundraising for the arts.

Our role as principal partner of Culture Business Canberra in November 2018 saw this important global arts fundraising conference bring arts leaders from around the world to tackle the big questions facing arts fundraisers today. The speakers presented on philanthropy, corporate sponsorship, organisational structure and new revenue streams, aiming to provide fundraisers with the tools to take their fundraising to the next level. Attended by 196 arts professionals, the conference

featured international speakers including Julie Molloy, Managing Director, National Gallery Company (UK); Deborah Cullinan, CEO, Yerba Buena Center for the Arts (USA); Peggy Kek, Development and Partnership Director, Singapore Symphony Orchestra; and Laura Sears, Associate Director, Execucare (UK).

In May 2019, we launched a pilot partnership to support Philanthropy Australia in engaging speakers for the Arts Funders Network sessions. Held quarterly in both Melbourne and Sydney, these meetings are a valuable opportunity for members of the philanthropic sector to meet and share insights into how to deliver high-impact philanthropy to the arts and cultural sector.

Creative Partnerships Australia continued to engage with national Development Collectives, sector-driven professional development groups established across Australia that promote peer-to-peer learning in the arts fundraising community. This year, we provided financial support to the WA Development Collective's Outcome Measurements Workshop in Perth.

Collingwood Arts Precinct  
Photo: Peter Clarke



# Our digital strategy

Online programs and resources form a key component of Creative Partnerships Australia's sector development strategy, complementing events and workshops held throughout the year to further enhance the skills of arts fundraisers.

This year we published more than 60 tools and resources on the Creative Partnerships Australia and Australian Cultural Fund websites, including guides, blog posts, fact sheets, case studies, profiles and videos. On topics ranging from crowdfunding techniques, the latest in private sector support, and diversity in fundraising, these resources enable fundraisers to be aware of best practice in arts fundraising.

To increase accessibility to our popular Fundamentals of Arts Fundraising workshops we have created a digital version of this program, which will be launched on the Creative Partnerships Australia website in the second half of 2019. This will allow emerging fundraisers from communities across Australia to participate in this workshop, boosting the capacity of emerging regional fundraisers.

While we value the opportunity that face-to-face skills development programs provide arts, philanthropic and business sectors to build relationships and share knowledge, it is vital that this be supported with a bank of online resources that reach across Australia. By utilising online analytics and community surveys to determine the content of online resources, we keep abreast of important trends and ensure that our content is dynamic and remains relevant.

# Research, Trends and Insights into Private Giving

From this year, Creative Partnerships Australia will regularly engage in research and data collection on the trends in private sector support, resulting in biennial reports that provide insight into philanthropy, sponsorship, partnerships and investment with and in the arts.

In late 2018, Creative Partnerships Australia commissioned a national survey to estimate the value and significance of private sector support in the arts and learn about the challenges and opportunities facing arts organisations in attracting philanthropic support.

The survey was established to collect important information from arts and cultural organisations and build a comprehensive understanding of private sector support on a national scale, identifying areas for organisational development. The first of its kind in ten years, the survey will help articulate the importance of private support to the ongoing sustainability and resilience of the arts sector.

Creative Partnerships Australia will use the results from the survey to develop and refine our programs and sector development activities and to better support arts organisations to secure lasting private sector support.

The results will also provide a valuable opportunity for arts organisations to benchmark their own fundraising activities and results. The survey is in its final stages with results to be published late 2019.

In August 2018, we supported the Australian Major Performing Arts Group (AMPAG) in the release of their annual survey on trends and insights into the fundraising of major companies. The AMPAG Tracking Changes in Corporate Sponsorship and Donations Report, prepared in collaboration with Creative Partnerships Australia, showed an increase in of 16% in private sector support to major companies to a total of \$111.1 million in 2018.

# Creative Partnerships Awards

The Creative Partnerships Awards celebrate exemplary individuals from Australia's philanthropy, business and arts sectors who show leadership in private giving, philanthropy and business partnerships with the arts. These awards are an important part of our work to facilitate and champion arts partnerships and investment.

Nominations are open to the public, giving everyone working in the arts, philanthropic and business sectors an opportunity to nominate leaders and colleagues who deserve recognition for championing the arts.

This year's awards were held at the Art Gallery of New South Wales in August 2018, bringing together people from across the arts, business and philanthropy sectors.

We congratulate the 2018 winners and thank them for their exceptional contribution to the arts:

**Tim Fairfax AC and Gina Fairfax**  
Philanthropy Leadership Award

**Adrian Fini**  
Business Leadership Award

**Beau Neilson**  
Emerging Philanthropy Leadership Award

**Mark Rubbo OAM**  
Emerging Philanthropy Leadership Award

**The late Richard Gill AO**  
Arts Leadership Award

**Philanthropy Leadership Award**  
For an individual, family, group or foundation that through their sustained contribution to the arts has inspired increased philanthropic giving and made a significant impact on Australia's cultural sector.

## **Business Leadership Award**

For an individual working in the business sector who through their commitment and example has fostered increased investment and engagement between business and the arts.

## **Emerging Philanthropy Leadership Award**

For an individual who is new to the philanthropic sector (within the last five years) and whose contribution to the arts is shaping the future of philanthropy and private giving in Australia's cultural sector.

## **Arts Leadership Award**

For an individual working in the arts and cultural sector who through their advocacy and practice has promoted the private sector's investment into Australia's cultural life; demonstrating vision, commercial acumen and strategic thinking in their engagement with donors and business and encouraging increased giving to the arts.

A woman in a dark dress is lying on her back on a light-colored floor. A large, thick, blue number '2' is superimposed over her, with her body forming the lower curve of the number. The background is a plain, light-colored wall and floor.

# Management and Accountability

Unbound, Rehearsal of *The 7 Stages of Woman*  
Photo: Blank Space Productions

## Company Structure

Creative Partnerships Australia is a business name of the Australia Business Arts Foundation (AbaF). AbaF is a not-for-profit company limited by guarantee, is wholly owned by the Commonwealth and is endorsed as a deductible gift recipient under Subdivision 30-BA of the *Income Tax Assessment Act 1997*.

The *Corporations Act 2001* is AbaF's primary regulatory framework. AbaF is also required to comply with the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), specifically Chapter 3, which sets out requirements for Commonwealth companies, in order that they meet public sector accountability standards.

AbaF is supported by the Australian Government through the Department of Communications and the Arts.

## Corporate Governance

Creative Partnerships Australia is overseen by a Board of Directors, appointed by the Minister for Communications, Cyber Safety and the Arts. The board is responsible to the Minister for the governance of Creative Partnerships Australia. Creative Partnerships Australia's Board members are independent Non-Executive Directors. The Executive Director, Operations and Marketing, acts as Company Secretary.

Creative Partnerships Australia's Board provides strategic guidance to the company, ensures the effective oversight of management, and the accountability of Creative Partnerships Australia to its stakeholders.

The Board also:

- approves the annual budget, corporate plan, compliance and annual report;
- reviews quarterly financial and performance reports;
- approves expenditure according to financial authority delegations; and
- undertakes reviews of the risk management framework.

Board oversight is achieved through quarterly board and sub-committee meetings, as well as periodic board-level strategy sessions and board participation in facilitated strategic planning workshops. The board undertakes an annual performance review of the CEO and direct reports.

Creative Partnerships Australia maintains a conflict register which is updated at each board meeting.

A senior executive from the Department of Communications and the Arts attends board meetings as an observer.

## Audit and Risk Committee

The Creative Partnerships Australia Board maintains an Audit and Risk Committee, in accordance with the PGPA Act. The Committee is guided by an Audit and Risk Committee Charter that specifies the role and responsibilities of the Committee.

The Charter is endorsed by the Board and reviewed annually. The Audit and Risk Committee undertakes a performance self-assessment process on a periodic basis.

During the 2018-19 financial year, the Audit Committee comprised the following Directors:

- Ms Rosheen Garnon (Chair)
- Ms Carol Schwartz AM (until 15 December 2018)
- Ms Samantha Meers AO (until 13 March 2019)
- Adjunct Professor the Hon Chris Pearce (from 14 May 2019)
- Ms Brett Torossi (until 15 May 2019)
- Mr Leonard Vary (from 12 March 2019)

The Audit and Risk Committee oversaw a range of issues during the year, including approval of the internal audit scope and consideration of its findings, review of Creative Partnerships Australia's risk management framework and strategy and the financial statements audit.

## Financial Management

Creative Partnerships Australia's income comprises mostly grant revenue from the Australian Government (41%) and donations raised for the Australian Cultural Fund (56%). Creative Partnerships Australia's total income for the year was \$11,071,827 compared to total expenses of \$8,520,344, resulting in a surplus of \$2,551,483. This surplus is comprised of funds unspent due to the timing associated with the payment of grants through the



Australian Cultural Fund and the delivery of mentoring programs across two financial years.

In the 2017-18 financial year, Creative Partnerships Australia's overhead increased from 12% to 16% of expenditure due to required IT upgrades for the Australian Cultural Fund online platform.

### External Audit

The Auditor-General is the external auditor for Creative Partnerships Australia; representatives of the Australian National Audit Office are invited to attend all meetings of the Audit and Risk Committee in an observer capacity.

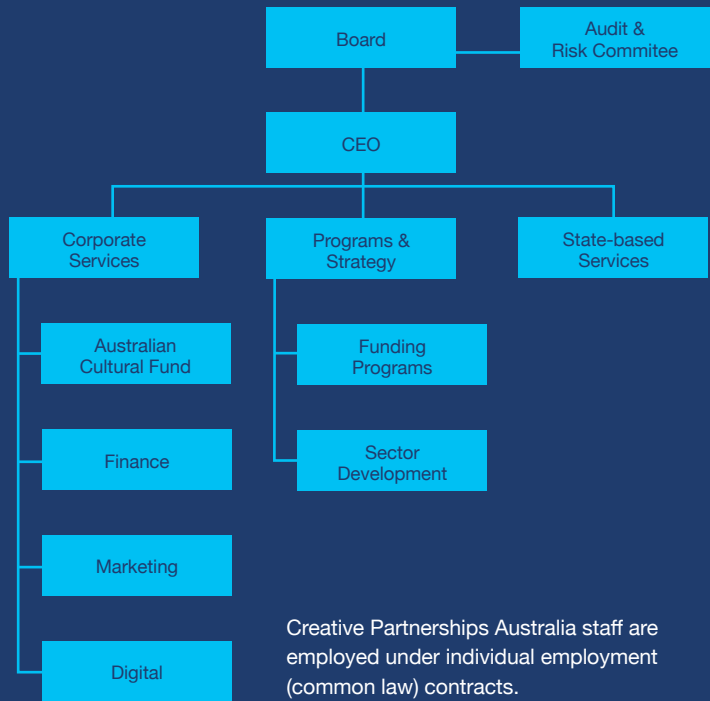
### Internal Audit

In 2018-19 Creative Partnerships Australia conducted an internal audit of the agency's cyber security control environment and adopted a number of initiatives to enhance this environment.

### Risk Management

The Audit and Risk Committee actively monitors strategic, financial and operational risk through the agency's Risk Management Framework to a level appropriate to our operating environment and resources.

## Organisation structure



	2018-19	2017-18	Location	2018-19	2017-18
Full Time Employees	12	12	VIC	13	14
Part Time Employees	5	6	WA	1	1
Gender	5 Male 12 Female	5 Male 13 Female	NSW	1	1
			NT	1	1
			QLD	1	1



**Australia Business Arts Foundation**  
**(Creative Partnerships Australia is a business name of Australia Business Arts Foundation)**

Under 28E of the Public Governance, Performance and Accountability Rule 2014, we are required to report on the following:

<b>Rule</b>	<b>Reference</b>	<b>Page</b>
<b>Contents of annual report</b>	<b>28E</b>	
The purposes of the company as included in the company's corporate plan for the period	28E (a)	3
The names of the persons holding the position of responsible Minister or responsible Ministers during the period, and the titles of those responsible Ministers	28E (b)	42
Any directions given to the entity by a Minister under the company's constitution, an Act or an instrument during the period	28E (c)	48
Any government policy orders that applied in relation to the company during the period under section 93 of the Act	28E (d)	48
If, during the period, the company has not complied with a direction or order referred to in paragraph (c) or (d) — particulars of the non-compliance	28E (e)	n/a
Information on each director of the company during the period, including: the name of the director; and the qualifications of the director; and the experience of the director; and the number of meetings of the board of the company attended by the director during the period; and whether the director is an executive director or non-executive director	28E (e) (f)(i) – (v)	43 – 47
An outline of the organisational structure of the company (including any subsidiaries of the company; statistics on the number of employees of the entity (including by reference to ongoing employees and non ongoing employees) at the end of that and the previous reporting period, in relation to each of the following: full time employees; part time employees; gender; location	28E (g) (ga)	37
An outline of the location (whether or not in Australia) of major activities or facilities of the company	28E (h)	37
Information in relation to the main corporate governance practices used by the company during the period	28E (i)	36
The decision-making process undertaken by the directors of the company for making a decision if: the decision is to approve the company paying for a good or service from a Commonwealth entity or a company, or providing a grant to a Commonwealth entity or a company; and the company, and the Commonwealth entity or the company, are related entities; and the value of the transaction, or if there is more than one transaction, the aggregate value of those transactions, is more than \$10 000 (GST inclusive)	28E (j) (i) – (iii)	n/a
If the annual report includes information under paragraph (j): if there is only one transaction — the value of the transaction; and if there is more than one transaction — the number of transactions and the aggregate of value of the transactions	28E (k) (i) – (ii)	n/a
Any significant activities and changes that affected the operations or structure of the company during the period	28E (l)	42
Particulars of judicial decisions or decisions of administrative tribunals made during the period that have had, or may have, a significant effect on the operations of the company	28E (m)	47

**Australia Business Arts Foundation**  
(Creative Partnerships Australia is a business name of Australia Business Arts Foundation)

<b>Rule</b>	<b>Reference</b>	<b>Page</b>
<b>Contents of annual report</b>	<b>28E</b>	
Particulars of any report on the company given during the period by: the Auditor-General; or a Committee of either House, or of both Houses, of the Parliament; or the Commonwealth Ombudsman; or the Office of the Australian Information Commissioner; or the Australian Securities and Investments Commission	28E (n) (i) – (v)	n/a
If the directors have been unable to obtain information from a subsidiary of the company that is required to be included in the annual report — an explanation of the information that was not obtained and the effect of not having the information on the annual report; information about executive remuneration in accordance with sections 28EA to 28EC	28E (o) (oa)	66
The list of requirements as set out in Schedule 2B that references where those requirements are to be found in the annual report.	28E (p)	38



Sydney Fringe  
Photo: Seiya Taguchi

# Financial Report

## For the Year Ended 30 June 2019

### Financial Report Index

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42	Directors' Report
49	Auditor's Independence Declaration
50	Independent Auditor's Report
53	Directors' Declaration
54	Statement of Comprehensive Income
55	Statement of Financial Position
56	Statement of Changes in Equity
57	Statement of Cash Flows
58	Notes to and Forming Part of the Financial Report
58	Note 1: Summary of Significant Accounting Policies
64	Note 2: Revenue and Other Income
64	Note 3: Expenditure
65	Note 4: Australian Cultural Fund
65	Note 5: Remuneration of Auditors
65	Note 6: Directors' Remuneration
66	Note 7: Key Management Remuneration
66	Note 8: Related Party Transactions – Other Related Parties
66	Note 9: Current Assets
67	Note 10: Non-Current Assets
69	Note 11: Liabilities
70	Note 12: Reserves
71	Note 13: Commitments
71	Note 14: Contingent Liabilities and Contingent Assets
71	Note 15: Members' Guarantee
71	Note 16: Events After the Reporting Date
71	Note 17: Financial Instruments

## Directors' Report

The Directors submit the Australia Business Arts Foundation financial report for the financial year ended 30 June 2019.

### Directors

The names of the Directors in office at any time during the year and to the date of this report are:

- Ms Catherine Walter AM, Chair (from 16 December 2018)
- Ms Carol Schwartz AO, Chair (until 15 December 2018)
- Ms Samantha Meers AO, Deputy Chair
- Mr John Barrington AM (from 3 April 2019)
- Ms Rosheen Garnon
- Adjunct Professor the Honourable Chris Pearce (from 3 April 2019)
- Mr Dan Rosen
- Mr Michael Smith (until 4 August 2018)
- Professor Susan Street AO
- Ms Brett Torossi (until 15 May 2019)
- Mr Leonard Vary (from 14 February 2019)

Mr Smith's term ended on 4 August 2018. Ms Schwartz's term ended on 15 December 2018. Ms Torossi's term ended on 15 May 2019.

### Responsible Minister

The Minister responsible for the company from 1 July 2018 to 25 May 2019 was Senator the Hon Mitch Fifield, Minister for Communications and the Arts. From 26 May 2019 the Minister responsible for the company is the Hon Paul Fletcher MP, Minister for Communications, Cyber Safety and the Arts.

### Company Secretary

Ms Emma Calverley held the position of Company Secretary from 1 July 2018 to 14 October 2018.  
Mr Tim Stitz held the position of Company Secretary from 15 October 2018 to 20 January 2019.  
Ms Jayne Lovelock held the position of Company Secretary from 21 January 2019 to 30 June 2019.

### Principal Activity

The principal activity of the company during the financial year was the promotion and facilitation of philanthropic and business support for the cultural sector in Australia.

### Operating Trading Result

The net result for the year ended 30 June 2019 was a surplus of \$2,551,483.

### Dividends

No dividends have been paid or declared during the year and no dividends are proposed.  
The company is prohibited by its Constitution from making a distribution to its members.

### Significant Changes In The State Of Affairs

There were no significant changes in the state of affairs of the company during the year 1 July 2018 to 30 June 2019.



## After Balance Date Events

Other than those outlined in this report, there are no matters or circumstances that have arisen since 30 June 2019 which significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

## Future Likely Developments

The company will continue to provide support for greater private sector investment in the arts through its programs and initiatives, including matched funding, sector skills development and advocacy activities, and the management of the Australian Cultural Fund.

## Meetings Of Directors

During the financial year, 8 meetings (including committees of Directors) were held. Attendances by each Director were as follows:

	Board of Directors		Audit and Risk Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended
Ms Catherine Walter AM	2	2	2	2
Ms Carol Schwartz AO	2	2	2	1
Ms Samantha Meers AO	4	4	3	3
Mr John Barrington AM	1	1	0	0
Ms Rosheen Garnon	4	3	4	4
Adjunct Professor the Hon Chris Pearce	1	1	0	0
Mr Dan Rosen	4	3	0	0
Professor Susan Street AO	4	4	0	0
Ms Brett Torossi	4	4	4	1
Mr Leonard Vary	2	2	1	1

### Ms Catherine Walter AM, Chair (from 16 December 2019)

LLB, LLM, MBA, FAICD  
Director (Non-Executive)

Catherine has served on the governing bodies of a number of arts organisations including being a member of the Nugent Major Performing Arts Inquiry and a director of: Australia Council's Major Performing Arts Board, Australian Ballet School, Melbourne International Arts Festival and VicOpera.

Currently chair of Financial Adviser Standards and Ethics Authority, Melbourne Genomics Health Alliance, a trustee of Helen Macpherson Smith Trust and a director of Reserve Bank of Australia's Payments System Board and Australian Foundation Investment Company; Catherine has previously been Managing Partner of the Melbourne office of Clayton Utz, a Commissioner of the City of Melbourne, Chair of Fed Square and Australian Synchrotron, and a director of ASX, NAB, Melbourne Business School and Orica. In 2003 she was honored as a Member of The Order of Australia for service to business, particularly as a director of a range of public companies, to the arts, to the law, and to the community through the Melbourne City Council.

Catherine is a member of Chief Executive Women.

**Ms Carol Schwartz AO, Chair (until 15 December 2018)**

BA, LLB, MBA, FAICD  
Director (Non-Executive)

Carol has extensive experience in business, property, the arts, and community organisations and has been a director on many public company and government boards. Carol is currently the Chairman of Our Community and Founding Chair of the Women's Leadership Institute Australia. Some of Carol's other directorships include: Director, Stockland; Director, Reserve Bank of Australia; Director, Qualitas Property Partners; Member Harvard Kennedy Women's Leadership Board and a BoardLinks champion.

Carol was awarded an Officer of the Order of Australia in the 2019 Queen's Birthday Honours for her distinguished service in the community as a supporter of women in leadership roles, to social justice advocacy, and to business. Carol was awarded an Honorary Doctorate from Monash University in 2018 and was recognised by Ernst & Young as the 2018 Champion of Entrepreneurship, Southern Region. Carol also received the Centenary Medal in 2001 in recognition of her outstanding service as a leading business executive and board participant.

Carol was awarded a Monash University Fellowship in 2010 in recognition of her significant contribution to the community through her professional distinction and outstanding service as a member of the alumni. In March 2011, Carol was inducted into the 2011 Victorian Women's Honour Roll. In October 2012, Carol was recognised as one of Australia's most influential women in the Australian Financial Review and Westpac's Inaugural 100 Women of Influence Awards.

**Ms Samantha Meers AO, Deputy Chair**

BA LLB MLITT FAICD  
Director (Non-Executive)

Samantha is Executive Deputy Chairman of property and investment group the Nelson Meers Group, and co-founder and trustee of the Nelson Meers Foundation. Her current board appointments include Chairman of Belvoir St Theatre; Chairman of Documentary Australia; Chairman of the Brett Whiteley Foundation; a trustee of the Art Gallery of NSW. Ms Meers also sits on advisory boards for the University of Sydney and the Centre for Social Impact at the University of NSW. Samantha began her career as a commercial lawyer with Mallesons Stephen Jacques (now King and Wood Mallesons), and her executive career included senior management roles in the media sector. She is a member of Chief Executive Women and a fellow of the Australian Institute of Company Directors.

**Mr John Barrington AM (from 3 April 2019)**

BBus, MBA, FAICD, FAIM  
Director (Non-Executive)

John is an acknowledged leader in strategy and governance, advising boards and CEOs of some of Australia's leading corporations, government enterprises and arts and culture organisations. He retired as Chair of Perth Festival in 2019, having served on the board for seven years. He is currently a board member of John Curtin Gallery. He is Executive Chairman of Artrya, developing Artificial Intelligence solutions to diagnose and predict heart disease.

He holds a Bachelor of Business from Curtin University, an MBA from the Australian Graduate School of Management and is a Fellow of the Australian Institute of Company Directors and of the Australian Institute of Management WA. He was appointed a Member of the Order of Australia in 2019, was a 2018 Western Australian of the Year Award Finalist and in 2017 received the Australian Institute of Company Directors PwC Award for Director Excellence in the Not-for-Profit Sector.

**Ms Rosheen Garnon**

BEC/LLB FCA, CTA, GAICD

Director (Non-Executive)

Rosheen has extensive senior executive experience in the professional services sector, both locally and internationally. Previously, she was the National Managing Partner for KPMG Australia's Taxation Division and a member of the Executive Leadership Team of KPMG Australia.

Currently, Rosheen is the Non-Executive Chair of Alexium International Group Ltd and a Non-Executive Director of Australian Rail Track Corporation Limited and The Smith Family. She is a Member of the Board of Taxation and a member of the Major Performing Arts Panel at the Australia Council for the Arts.

Rosheen holds a Bachelor of Economics and a Bachelor of Law from the Australian National University. She is a Fellow of Chartered Accountants in Australia and New Zealand, a Chartered Tax Advisor and a Member of Chief Executive Women.

**Adjunct Professor the Honourable Chris Pearce (from 3 April 2019)**

JP, FAICD, FAMI, BBus, MBA, GCDiv

Director (Non-Executive)

Adjunct Professor the Honourable Chris Pearce is Managing Partner, South East Asia at NGS Global based in Australia. He is an accomplished senior executive with wide-ranging domestic and international experience to CEO/MD level in 'blue chip' companies in the telecommunications, information technology and entertainment industries.

Chris has been a Member of the Australian Parliament, as well as a Member of the Federal Government Ministry responsible for financial services, business law and consumer affairs, and later as Shadow Minister, until his decision to leave Parliament and return to the corporate world.

He has served on commercial, government and not-for-profit boards and is currently Deputy Chairman and Non-Executive Director at the St Vincent's Institute of Medical Research and the External Representative on the Education & Community Engagement Board Committee of the Melbourne Symphony Orchestra.

Chris is an Adjunct Professor at Deakin University providing industry expertise and insight in the areas of Executive Leadership, Professional Development and Strategy/Value-Creation. He has completed a Management Development Process Program at the Monash Mt Eliza Business School, a Bachelor of Business from Monash University, a Master of Business Administration (MBA) from Deakin University, an Executive Program in Strategy and Organisation at Stanford University and a Graduate Certificate in Divinity from the University of Divinity. In 2019, he will commence a Graduate Certificate in Positive Psychology at Central Queensland University.

Chris is a Justice of the Peace, Fellow of the Australian Institute of Company Directors, Fellow of the Australian Marketing Institute, Member of the Royal Victorian Association of Honorary Justices and a Member of the Royal School of Church Music.

**Mr Dan Rosen**

LLM, LLB (Hons)/BCom

Director (Non-Executive)

Dan has spent his career at the intersection of the creative industries and technology, working in roles as an executive, policy maker, lawyer, and artist. As Chief Executive of ARIA and PCCA, the two peak bodies for the Australian recorded music industry, he has led both organisations through the transition to an increasingly digital music market. Prior to his current role, Dan was based in New York, working for digital media company KIT Digital. Before leaving for the United States, Dan worked as Advisor to the Minister for Communications, Information Technology and the Arts, responsible for broadband and innovation policy. Dan started his career as a lawyer with Minter Ellison, specialising in media and technology clients. He is a Fulbright Scholar and completed a Masters of Law at New York University, where he was also a Deans Scholar. An accomplished musician and songwriter, Dan won the Triple J Unearthed competition in 2003 and has independently released two albums. He is former Chair of the New South Wales Creative Industries Taskforce, and member of the Victorian Government's Creative Victoria Taskforce.

**Mr Michael Smith (until 4 August 2018)**

Hon DLitt, FAICD

Director (Non-Executive)

Michael has a history in digital, strategy and market research.

Michael is currently the Principal of boutique strategic development consulting firm Black House. He is the Chair of 7-Eleven Stores PL, Starbucks Australia, the Lionel Samson Sadleirs Group and Pioneer Credit Ltd. Michael is the Western Australian Patron of children's charity Variety and the Co3 Dance Company.

Previously held roles include Chair of iiNet, Synergy, Verve, the Perth International Arts Festival, Barking Gecko Theatre Company and the West Coast Eagles. He was National Chair of the Australian Institute of Company Directors, Deputy Chair of Automotive Holdings Group, State President and National Director of the Australian Marketing Institute, National Chair of Judges for EY Entrepreneur of the Year and a Director of HOME Building Society.

In 2014, Michael was awarded a Doctor of Letters from the University of Western Australia for his contribution to the business sector and the arts. Michael is also the recipient of the Patron's Medal, His Royal Highness Prince Phillip, for his services to marketing by the Australian Marketing Institute.

**Professor Susan Street AO**

MA

Director (Non-Executive)

Susan is Executive Director, Queensland University of Technology (QUT) Precincts and formally Executive Dean, Creative Industries Faculty at QUT. Previously held roles include Head of Dance, QUT; Dean, School of Dance, Hong Kong Academy for Performing Arts; Chair, Dance Fund; Council Member of the Australia Council; Trust Director, Brisbane Arts and Environment Trust, Brisbane City Council; Chair, Artistic Advisory Committee and Board Member, Hong Kong Ballet; and Arts advisor to Hong Kong Arts Development Council and the Leisure and Cultural Service Department of Hong Kong Government. Susan was Board Member, Australia-China Council (DFAT); Trustee, Queensland Performing Arts Trust; Australasian Advisor, Royal Academy of Dance in London and Arts Investment Advisory Board, Queensland Government. She is the immediate past Chair, Board of Trustees of the Queensland Art Gallery & Gallery of Modern Art; current Board Member, The Australian Ballet; a member of the Australia Singapore Arts Group; Advisor to Arts Queensland on the new Theatre at QPAC.

**Ms Brett Torossi (until 15 May 2019)**

Director (Non-Executive)

Brett is Founder, Owner and Managing Director of New Ground Network. As a property developer and businesswoman, she focuses on creating and developing innovative, sustainable and commercially successful spaces, focusing on tourism, residential and commercial developments.

Brett's other appointments include Chair, Tasmanian Heritage Council; Director, Tourism Tasmania; Chair, Tourism Tasmania Finance Audit and Risk Committee; Non-singing Director, Festival of Voices; Trustee, Tasmanian Museum and Art Gallery; Chair, Tasmanian Museum and Art Gallery Audit Committee; Director, Tasmanian Development Board; and Member, Tasmanian Statewide Brand Steering Group.

**Mr Leonard Vary (from 14 February 2019)**

BCom, LLB, Grad Dip App Fin and Inv, LLM, FAICD

Director (Non-Executive)

Leonard Vary is Chief Executive Officer of The Myer Foundation and Sidney Myer Fund. Leonard is a board member of the Cranlana Centre for Ethical Leadership. He is a former director of Malthouse Theatre, a past Chair of the Centre for Contemporary Photography, and a past Vice President of the Melbourne International Arts Festival.

Prior to his appointment to The Myer Foundation and Sidney Myer Fund, Leonard was an Executive Director of the Fox Private Group and the General Counsel, President HR and a Director of the Linfox Group. Earlier in his career Leonard was in private practice at Clayton Utz, a leading Australian law firm.

**Directors' Benefits**

The Directors are paid such remuneration and allowances as determined by the Remuneration Tribunal out of the monies of Creative Partnerships Australia. Since 1 July 2018, no Director of the company has received or become entitled to receive any other benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full-time employee of the company, by reason of a contract made by the company with the Director or any related party.

**Indemnities And Insurance Premiums**

During the financial year, the company has paid premiums to indemnify Directors against third party legal proceedings arising out of their conduct while acting in the capacity of Director of the company. Indemnity is provided to Directors under the coverage of the company's insurer, Comcover.

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

- indemnified or made any relevant agreement for indemnity against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

### **Proceedings On Behalf Of The Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

The company was not a party to any such proceedings during the year.

### **Ministerial Directions And Government Policy Orders**

Under section 93 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Finance Minister may, after consultation with the Minister responsible for the order, make a government policy order that applies to wholly owned Commonwealth companies. There has been no application of Section 93 of the PGPA Act in this financial year.

There were no directions issued to the company by the responsible Minister, under the company's constitution, or under any Act or instrument.

### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found in the Directors' Report.

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



**Ms Catherine Walter AM**  
**Director**



**Ms Rosheen Garnon**  
**Director**

2 September 2019





Ms Catherine Walter AM  
Chair  
Australia Business Arts Foundation Limited  
Level 4, 2-4 Kavanagh Street  
Southbank VIC 3006

**AUSTRALIA BUSINESS ARTS FOUNDATION LIMITED  
FINANCIAL REPORT 2018–19  
AUDITOR'S INDEPENDENCE DECLARATION**

In accordance with the requirements of section 307C of the *Corporations Act 2001*, and section 60–40 of the *Australian Charities and Not for Profits Commission Act 2012* in relation to my audit of the financial report of the Australia Business Arts Foundation Limited for the year ended 30 June 2019, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*, or the *Australian Charities and Not for Profits Commission Act 2012* and
- (ii) no contravention of any applicable code of professional conduct.

Australian National Audit Office

Josephine Bushell  
Senior Director

Delegate of the Auditor-General  
Canberra

2 September 2019

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777



## INDEPENDENT AUDITOR'S REPORT

To the members of Australia Business Arts Foundation Limited

### Opinion

In my opinion, the financial report of Australia Business Arts Foundation Limited ('the Company') for the year ended 30 June 2019 is in accordance with the *Corporations Act 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001* and *Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013*.

The financial report of the Company, which I have audited, comprises the following statements as at 30 June 2019 and for the year then ended:

- Directors' Declaration;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to and Forming Part of the Financial Report, comprising a Summary of Significant Accounting Policies and other explanatory information.

### Basis for Opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the *Corporations Act 2001* and the relevant ethical requirements for financial report audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code.

I confirm that the independence declaration required by the *Corporations Act 2001* and section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT  
Phone (02) 6203 7300 Fax (02) 6203 7777

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon.

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Directors' Responsibility for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012* and for such internal control the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Australian National Audit Office



Josephine Bushell  
Senior Director

Delegate of the Auditor-General

Canberra

2 September 2019

## Directors' Declaration

The Directors of the company declare that:

1. The financial report and notes, are in accordance with the *Corporations Act 2001*: and
  - (a) comply with Australian Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the company.
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



**Ms Catherine Walter AM**  
Director



**Ms Rosheen Garnon**  
Director

2 September 2019

# Statement of Comprehensive Income

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Revenue and Other Income</b>			
Revenue from operations	2A	6,508,952	3,659,091
Revenue from government and other grants	2B	4,532,816	4,392,000
Finance income		30,059	26,844
<b>Total income</b>		<b>11,071,827</b>	<b>8,077,935</b>
<b>Expenditure</b>			
Employee benefits expense	3A	(1,897,543)	(1,880,639)
Grant expense	3B	(5,548,660)	(4,562,617)
Suppliers expense	3C	(1,050,721)	(1,181,030)
Depreciation	3D	(23,420)	(32,997)
<b>Total expense</b>		<b>(8,520,344)</b>	<b>(7,657,283)</b>
<b>Surplus attributable to members of the company</b>		<b>2,551,483</b>	<b>420,652</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Changes in asset revaluation reserve		-	1,041
<b>Total other comprehensive income</b>		<b>-</b>	<b>1,041</b>
<b>Total comprehensive income attributable to members of the company</b>		<b>2,551,483</b>	<b>421,693</b>

The above statement should be read in conjunction with the accompanying notes.



# Statement of Financial Position

as at 30 June 2019

	Note	2019 \$	2018 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	9A	6,665,920	4,122,206
Trade and other receivables	9B	8,459	15,221
Other assets	9C	88,377	87,207
Other financial assets	9D	16,010	15,693
<b>Total Current Assets</b>		<b>6,778,766</b>	<b>4,240,327</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	10A	29,954	45,654
<b>Total Non-Current Assets</b>		<b>29,954</b>	<b>45,654</b>
<b>Total Assets</b>		<b>6,808,720</b>	<b>4,285,981</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	11A	1,177,739	1,185,739
Provisions	11B	84,085	141,288
<b>Total Current Liabilities</b>		<b>1,261,824</b>	<b>1,327,027</b>
<b>Non-Current Liabilities</b>			
Provisions	11B	73,792	37,333
<b>Total Non-Current Liabilities</b>		<b>73,792</b>	<b>37,333</b>
<b>Total Liabilities</b>		<b>1,335,616</b>	<b>1,364,360</b>
<b>Net Assets</b>		<b>5,473,104</b>	<b>2,921,621</b>
<b>Equity</b>			
Retained surplus		1,110,740	761,168
Contributed equity		590,284	590,284
Reserves	12	3,772,080	1,570,169
<b>Total Equity</b>		<b>5,473,104</b>	<b>2,921,621</b>

The above statement should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

For the Year Ended 30 June 2019

	Note	Retained Surplus	Contributed Equity	ACF Donations Reserve	Richard Pratt Arts Scholarship Reserve	Small Arts and Bus Dev Fund Reserve	Asset Revaluation Reserve	Total
		\$	\$	\$	\$	\$	\$	\$
Opening Balance 1 July 2017		766,785	590,284	1,094,471	18,706	48,388	-	2,518,634
<b>Comprehensive income</b>								
Surplus for the year		(5,617)	-	426,269	-	-	-	420,652
Other comprehensive income		-	-	-	-	-	1,041	1,041
Total comprehensive income		(5,617)	-	426,269	-	-	1,041	421,693
Movement in reserve		-	-	-	(18,706)	-	-	(18,706)
<b>Balance at 30 June 2018</b>		<b>761,168</b>	<b>590,284</b>	<b>1,520,740</b>	<b>-</b>	<b>48,388</b>	<b>1,041</b>	<b>2,921,621</b>
<b>Comprehensive income</b>								
Surplus/(deficit) for the year		349,572	-	2,201,911	-	-	-	2,551,483
Total comprehensive income / (loss)		349,572	-	2,201,911	-	-	-	2,551,483
Movement in reserve		-	-	-	(18,706)	-	-	-
<b>Balance at 30 June 2019</b>	<b>12</b>	<b>1,110,740</b>	<b>590,284</b>	<b>3,722,651</b>	<b>-</b>	<b>48,388</b>	<b>1,041</b>	<b>5,473,104</b>

The above statement should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
<b>Cash Flow from Operating Activities</b>			
<b>Cash received</b>			
Receipts from governments		4,532,816	4,392,000
Interest received		30,060	26,845
Receipts from ACF donations		6,162,431	3,375,137
Other receipts		433,745	366,985
<b>Total cash received</b>		<b>11,159,052</b>	<b>8,160,967</b>
<b>Cash used</b>			
Payments to suppliers		(1,101,335)	(1,103,073)
Payments to employees		(1,896,941)	(1,871,333)
Payments to grants recipients		(1,648,043)	(1,290,651)
Payments to ACF grants recipients		(3,960,519)	(2,948,868)
<b>Total cash used</b>		<b>(8,606,838)</b>	<b>(7,212,884)</b>
<b>Net cash generated from operating activities</b>		<b>2,552,214</b>	<b>948,083</b>
<b>Cash Flow from Investing Activities</b>			
Purchase of property, plant and equipment		(8,500)	(8,910)
<b>Net cash used by investing activities</b>		<b>(8,500)</b>	<b>(8,910)</b>
<b>Net Increase in cash held</b>		<b>2,543,714</b>	<b>939,173</b>
Cash and cash equivalents at beginning of the financial year		4,122,206	3,183,033
<b>Cash and cash equivalents at end of the financial year</b>	9A	<b>6,665,920</b>	<b>4,122,206</b>

The accompanying notes form part of these financial statements.

# Notes to and Forming Part of the Financial Report

## For the Year Ended 30 June 2019

The financial statements are for Australia Business Arts Foundation Limited, trading as Creative Partnerships Australia, as an individual entity, incorporated and domiciled in Australia.

Creative Partnerships Australia is a Commonwealth company limited by guarantee.

The registered office and the principal place of business of the company is level 4, 2-4 Kavanagh Street, Southbank, VIC 3006.

### Note 1: Summary of Significant Accounting Policies

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB), the *Australian Charities and Not-for-profits Commission Act 2012* that apply for the reporting period and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements are presented in Australian dollars, which is Creative Partnerships Australia's functional and presentation currency. The company has no transactions in foreign currencies.

#### New and revised accounting standards

A number of new standards and amendments to the standards are effective for annual periods beginning on or after 1 January 2019 (unless otherwise stated). The company has considered the impact of these changes and their application in the preparation of the financial statements.

No accounting standards have been adopted earlier than the application date as stated in the standard.

#### AASB 15 – Revenue from contracts with customers

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

The new standard is effective for all reporting periods beginning on or after 1 January 2019. The company has elected not to early adopt this new standard.

#### AASB 1058 – Income for Not-for-Profit Entities

This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. And replaces AASB 1004 Contributions. It establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable the entity to further its objectives.

The new standard is effective for all reporting periods beginning on or after 1 January 2019. The company has elected not to early adopt this new standard.

## **AASB 16 – Leases**

In February 2016, the AASB issued AASB 16 Leases. The standard provides a single lessee accounting model, requiring lessees to recognise an asset (the right to use the leased item) and a financial liability to pay rentals. The only exemptions are where the lease term is 12 months or less, or the underlying asset has a low value. Lessor accounting is substantially unchanged under AASB 16.

The new standard is effective for all reporting periods commencing 1 January 2019. The company has elected not to early adopt this new standard. Note 13 summarises the company's current lease commitments and Management are in the process of completing their assessment of the impact of the effect of AASB 16.

## **Accounting Policies**

### **1.1 Revenue**

Revenue is recognised as follows:

- Non-reciprocal grants revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.
- Grants with conditions attached which must be satisfied before the contributions will be received will be recognised as revenue only when those conditions are satisfied.
- When grant revenue is received whereby the company 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 statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.
- Donations and bequests are recognised as revenue when received.
- Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
- Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

### **1.2 Economic Dependency**

Creative Partnerships Australia is a wholly owned Commonwealth company and received approximately 89% (2018: 94%) of its income from the Australian Government for funding of its operations. The company would not be able to continue its operations in 2018-19 without Australian Government funding.

### **1.3 Income Tax**

No provision for income tax has been raised as the company is exempt from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*.

### **1.4 Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less.

## 1.5 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

## 1.6 Property Plant and Equipment

### *Leasehold improvements*

Leasehold improvements are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation.

In periods when the leasehold improvements are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of leasehold improvements are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets are recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in the statement of profit and loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

### *Property Plant and Equipment*

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable costs.

### *Asset Recognition Threshold*

Purchases of plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by the company where there exists an obligation to restore the property to its original condition. These costs are included in the value of the company's leasehold improvements with a corresponding provision for the 'make good' recognised.

### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the assets useful life to the entity commencing from the time the asset is ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation rates used for each class of depreciable assets are:

<b>Class of fixed asset</b>	<b>Depreciation Rate</b>
Plant and equipment	15% to 30%
Leasehold improvements	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

### **1.7 Provision for Lease Makegood**

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

### **1.8 Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

#### ***Short-term employee benefits***

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

#### ***Long-term employee benefits***

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash outflows are discounted using market yields on notional government bonds with terms to maturity that match the expected timing of cash flows. In respect of long service leave, the probability of long service leave being taken is based upon historical data.

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

### **1.9 Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term which is representative of the pattern of benefits derived from the leased assets.

### **1.10 Financial Instruments**

The company has applied AASB 9 Financial Instruments for the first time for the annual reporting period commencing 1 July 2018. The adoption of AASB 9 had no significant impact on the company's financial statements.

#### ***Classification***

The company classifies its financial assets as those to be measured at amortised cost.

#### ***Recognition and derecognition***

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the entity commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.



### **Measurement**

At initial recognition, the company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement of assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as separate line item in the statement of profit or loss.

### **Impairment**

The company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### **(i) Receivables**

Receivables are amounts due from donors or customers for grants or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value. The company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

The company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2019 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward – looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

#### **(ii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

#### **(iii) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **1.11 Fair Value of Assets and Liabilities**

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

### **1.12 Goods and Services Tax (GST)**

Revenues, expenses and receivables are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### **1.13 Comparative Figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

No changes of comparative figures were required in the current financial year.

### **1.14 Critical Accounting Estimates, Judgments and Assumptions**

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

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

## Note 2: Revenue and Other Income

	Note	2019 \$	2018 \$
<b>Note 2A: Revenue from Operations</b>			
Fees – ticketing income		37,350	44,124
Donations		309,171	171,124
ACF donations received		6,162,431	3,375,137
Service income		-	68,706
<b>Total revenue from operations</b>		<b>6,508,952</b>	<b>3,659,091</b>
<b>Note 2B: Revenue from Government and Other Grants</b>			
Grants – Australian Government – Operational Funding		2,782,816	2,642,000
Grants – Australian Government – Program Funding		1,750,000	1,750,000
<b>Total revenue from Government and other grants</b>		<b>4,532,816</b>	<b>4,392,000</b>

## Note 3: Expenditure

		2019 \$	2018 \$
<b>Note 3A: Employee Benefits Expense</b>			
Wages and salaries		1,896,941	1,871,333
Other employee expense		602	9,306
<b>Total employee benefits</b>		<b>1,897,543</b>	<b>1,880,639</b>
<b>Note 3B: Grant Expense</b>			
Grant expense		1,588,141	1,613,749
ACF grants paid		3,960,519	2,948,868
<b>Total grant expense</b>		<b>5,548,660</b>	<b>4,562,617</b>
<b>Note 3C: Suppliers Expense</b>			
Supply of goods and services		906,929	1,048,024
Lease payments		143,792	133,006
<b>Total supplier expense</b>		<b>1,050,721</b>	<b>1,181,030</b>
<b>Note 3D: Depreciation</b>			
Leasehold improvements		9,718	19,240
Plant and equipment		13,702	13,757
<b>Total depreciation</b>		<b>23,420</b>	<b>32,997</b>

#### Note 4: Australian Cultural Fund

The company administers the Australian Cultural Fund (ACF) to enable donors to make a donation to support the cultural life of Australia and to express a preference for the use of these donations. The bona fide nature of the proposed cultural recipient is verified prior to a decision to make a grant.

Donations received are required to be recognised as revenue upon receipt of the donation whereas the corresponding grant to the preferred recipient is required to be recognised as expenditure when the grant is made. A timing difference will occur where the financial year in which donations are received and included in income does not coincide with the financial year in which the associated grant is paid and recorded as expenditure.

Such timing differences during the financial year resulted in an ACF surplus of \$2,201,911.

#### Note 5: Remuneration of Auditors

	2019 \$	2018 \$
<b>Auditor remuneration</b>		
<b>Total remuneration of auditors</b>	<b>25,200</b>	<b>25,200</b>

#### Note 6: Directors' Remuneration

The number of non-executive directors of the company included in these figures are shown below in the relevant remuneration bands:

	No.	No.
\$10,000 – \$ 19,999	6	6
\$20,000 – \$29,999	1	1
\$30,000 – \$39,999	1	1
<b>Total</b>	<b>8</b>	<b>8</b>
<b>Total remuneration received or due and receivable by directors of the company</b>	<b>149,729</b>	<b>164,530</b>

Superannuation contributions amounting to \$14,224 (2017-18: \$15,630) were paid on behalf of directors.

### Note 7: Key Management Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered a senior management personnel.

Name: Fiona Menzies							2019
Position title: CEO							
Short- term benefits		Post- employment benefits		Other long- term benefits		Termination benefits	Total remuneration
Base salary	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Other long- term benefits		
221,250	-	-	21,019	-	-	-	242,269

Name: Fiona Menzies							2018
Position title: CEO							
Short- term benefits		Post- employment benefits		Other long- term benefits		Termination benefits	Total remuneration
Base salary	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Other long- term benefits		
211,499	-	-	20,093	-	-	-	231,592

The total number of senior management personnel that are included in the above table is 1 (2018:1).

### Note 8: Related Party Transactions – Other Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There have been no loans or grants made to the directors or director-related entities during the financial year. There have been no other related party transactions during the financial year.

### Note 9: Current Assets

	2019 \$	2018 \$
<b>Note 9A: Cash and Cash Equivalents</b>		
Cash at bank and on hand	6,665,920	4,122,206
<b>Total cash and cash equivalents</b>	<b>6,665,920</b>	<b>4,122,206</b>
<b>Note 9B: Trade and Other Receivables</b>		
Trade receivables	8,459	15,221
<b>Total current trade and other receivables</b>	<b>8,459</b>	<b>15,221</b>

### **Provision for Impairment of Receivables**

Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired.

Receivables have been assessed for impairment and it has been determined that no impairment exists at 30 June 2019. (Impairment at 30 June 2018: nil)

All trade receivables are within initial trade terms.

	2019 \$	2018 \$
<b>Note 9C: Other Assets</b>		
Prepayments	16,112	35,763
GST receivables	72,265	51,444
<b>Total other assets</b>	<b>88,377</b>	<b>87,207</b>

<b>Note 9D: Other financial assets</b>		
Held-to-maturity investments	16,010	15,693
<b>Total short-term investments</b>	<b>16,010</b>	<b>15,693</b>

### **Note 10: Non-Current Assets**

<b>Note 10A: Property, Plant and Equipment</b>		
Leasehold improvements – at valuation	78,211	78,211
Less: Accumulated depreciation	(77,429)	(67,711)
<b>Total leasehold improvements</b>	<b>782</b>	<b>10,500</b>
Plant and equipment at cost	83,754	76,369
Less: Accumulated depreciation	(54,582)	(41,215)
<b>Total plant and equipment</b>	<b>29,172</b>	<b>35,154</b>
<b>Total Property, Plant and Equipment</b>	<b>29,954</b>	<b>45,654</b>

The company's property, plant and equipment measured at fair value at 30 June 2019 and 30 June 2018.

### **Non-financial assets fair value measurements – valuation processes**

The company procured the service of the Jones Lang LaSalle (JLL) to undertake a comprehensive valuation of all non-financial assets at 30 June 2018. The company tests the procedures of the valuation model as an internal management review at least once every 12 months (with a formal revaluation undertaken once every three years). If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation. The company has engaged JLL to provide written assurance that the models developed comply with AASB 13.

Significant inputs utilised by the company are derived and evaluated as follows:

#### **Leasehold Improvements – Physical Depreciation and Obsolescence**

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the Depreciated Replacement Cost approach.

Sensitivity of inputs:

#### **Leasehold Improvements & Property, Plant and Equipment – Consumed economic benefit / Obsolescence of asset**

The significant unobservable inputs used in the fair value measurement of the Company's leasehold improvements asset classes relate to the physical depreciation and obsolescence deduction. A significant increase (decrease) in this input would result in a significantly lower (higher) fair value measurement.

### **Note 10B: Movement in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant & equipment between the beginning and the end of the current financial year:

	Leasehold Improvements \$	Plant and Equipment \$	Total \$
Balance as at 1 July 2018	10,500	35,154	45,654
Additions	–	8,500	8,500
Disposals	-	(780)	(780)
Depreciation expense	(9,718)	(13,702)	(23,420)
<b>Carrying amount at 30 June 2019</b>	<b>782</b>	<b>29,172</b>	<b>29,954</b>

### **Asset Revaluation**

The company's tangible non-financial assets were independently valued at 30 June 2018 by JLL. The valuation was based on fair value. Through this review process, a revaluation gain of \$1,041 related to the leasehold improvement being recognised in the assets revaluation reserve, a revaluation loss of \$1,548 related to the plant and equipment being recognised in the comprehensive income.

At 30 June 2019 the directors reviewed the key assumptions made by the valuers at 21 May 2018. They have concluded that these assumptions remain materially unchanged.



**Note 11: Liabilities**

	2019 \$	2018 \$	
<b>Note 11A: Trade and Other Payables</b>			
Current			
Trade payables	596,684	516,017	
Sundry payables	581,055	669,722	
<b>Total current trade and other payables</b>	<b>1,177,739</b>	<b>1,185,739</b>	
<b>Note 11B: Provisions</b>			
Short-term provisions			
Annual leave	80,130	101,076	
Long service leave	3,955	13,677	
Lease make-good	-	26,535	
<b>Total short-term provisions</b>	<b>84,085</b>	<b>141,288</b>	
Long-term provisions			
Long service leave	47,257	37,333	
Lease make-good	26,535	-	
<b>Total long-term provisions</b>	<b>73,792</b>	<b>37,333</b>	
<b>Total provisions</b>	<b>157,877</b>	<b>178,621</b>	
	<b>Lease Makegood \$</b>	<b>Employee Benefits \$</b>	<b>Total \$</b>
<b>Note 11C: Movement in Provisions</b>			
Opening balance at 1 July 2018	26,535	152,086	178,621
Additional provisions raised during year	-	110,647	110,647
Amounts used	-	(131,391)	(131,391)
<b>Balance at 30 June 2019</b>	<b>26,535</b>	<b>131,342</b>	<b>157,877</b>

## Note 12: Reserves

	Note	2019 \$	2018 \$
ACF Donations Reserve	12A	3,722,651	1,520,740
Richard Pratt Arts Scholarship Reserve	12B	-	-
Small Arts and Business Development Fund Reserve	12C	48,388	48,388
Asset Revaluation Reserve	12D	1,041	1,041
		<b>3,772,080</b>	<b>1,570,169</b>

### *Note 12A: ACF Reserve Movements during the year*

Opening balance		1,520,740	1,094,471
Surplus for the year	4	2,201,911	426,269
<b>Closing balance</b>		<b>3,722,651</b>	<b>1,520,740</b>

ACF donations received are held in the ACF Reserve pending the grant verification process. The balance of the reserve at the end of the financial year represents unexpended ACF donations recorded as income.

### *Note 12B: Richard Pratt Arts Scholarship Reserve Movements during the year*

Opening balance		-	18,706
Movement in reserve		-	(18,706)
<b>Closing balance</b>		<b>-</b>	<b>-</b>

The Pratt Foundation made donations to be used for masterclasses and workshops to support skills development in the arts. This reserve has been fully utilised in the financial year 2018 to support the masterclasses.

### *Note 12C: Small Arts and Business Development Fund Reserve Movements during the year*

Opening balance		48,388	48,388
Transfers from (to) retained surplus		-	-
<b>Closing balance</b>		<b>48,388</b>	<b>48,388</b>

Dame Elisabeth Murdoch made donations to start the “Small Arts and Business Development Fund” to be used to develop and pilot new programs and activities for the benefit of small arts and business.

### *Note 12D: Asset Revaluation Reserve Movements during the year*

Opening balance		1,041	-
Movement in reserve		-	1,041
<b>Closing balance</b>		<b>1,041</b>	<b>1,041</b>

This reserve recognises the revaluation of leasehold improvements.

## Note 13: Commitments

### Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

	2019 \$	2018 \$
Payable — One year or less	126,484	66,992
— Later than 12 months but not later than five years	272,600	13,398
	<b>399,084</b>	<b>80,390</b>

The operating lease commitment for the financial year ended 30 June 2019 are for the lease of Melbourne, Sydney, Darwin and Perth office accommodation and a photocopier. Commitments are shown exclusive of GST.

There were no other commitments at balance date.

## Note 14: Contingent Liabilities and Contingent Assets

The company has a bank guarantee in favour of the Melbourne property lessors for an amount of \$14,950. There were no other contingent liabilities or contingent assets at 30 June 2019.

## Note 15: Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the company. At 30 June 2019, the number of members was 3 (30 June 2018: 3).

## Note 16: Events After the Reporting Date

There are no events after the reporting date that have or will materially affect the financial position of the company.

## Note 17: Financial Instruments

The company's financial assets consist of cash, trade receivables and held to maturity investments, and financial liabilities consist of trade payables.

<b>Note 17A: Net Gains or Losses on Financial Assets</b>	2018 \$	2018 \$
Loans and receivables		
interest revenue	30,059	26,844
Net gains on loans and receivables	30,059	26,844
Net gains on financial assets	<b>30,059</b>	<b>26,844</b>

## Financial Risk Management Policies

The directors of the company meet on a regular basis to analyse financial risk management strategies and policies in the context of the most recent economic conditions and forecasts to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

**Note 17B: Credit risk**

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the company.

Credit risk related to balances with banks and other financial institutions is managed by the audit committee in accordance with approved policy.

The following table details the company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

		Past due but not impaired (days overdue)					
	Gross Amount \$	Passed due and impaired \$	<30 \$	31-60 \$	61-90 \$	>90 \$	Within initial trade terms \$
<b>2019</b>							
Trade and other receivables	8,459	-	-	-	-	-	8,459
Other receivables	-	-	-	-	-	-	-
	<b>8,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,459</b>
<b>2018</b>							
Trade and other receivables	15,221	-	-	-	-	-	15,221
Other receivables	-	-	-	-	-	-	-
	<b>15,221</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,221</b>

The company does not hold any financial assets whose terms have been negotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are impaired and are past due. It is expected that these balances will be received when due.



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