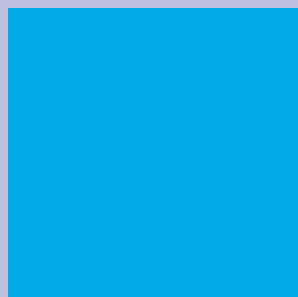
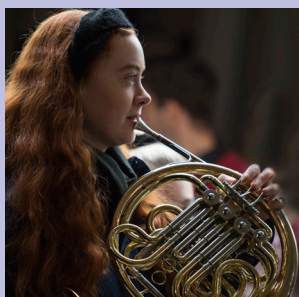
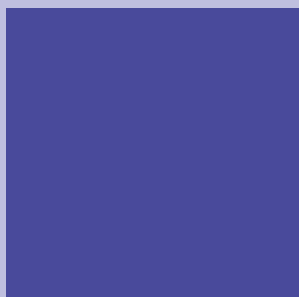


MUSIC *for* CANBERRA



2019 ANNUAL REPORT

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MESSAGE FROM CHAIR OF THE BOARD



2019 was a year of great change at Music for Canberra (MfC) as the organisation took steps to modernise and diversify how it conducts business. With those changes came risk, hard work and stepping out of our comfort zone. This has increased the organisation's resilience and prepared us for possible further changes to come.

MfC commenced the year with Chief Executive Officer and Artistic Director, Dr Stephanie Neeman, at the helm. She played a large role in the Canberra Youth Orchestra's successful Llewellyn Hall concert series. Of particular note was that she arranged for 11-year-old prodigy Christian Li to perform in the November recital, which was a truly memorable event. Stephanie also worked tirelessly to attract funding sources outside of our ACT Government grant. She made contact with private donors and successfully negotiated increased funding from the Snow Foundation for the mixed abilities programs.

However, Stephanie is a highly accomplished pianist, and the heavy workload at MfC took her away from that passion. Accordingly, she made the difficult decision in the second half of the year to resign with long notice to facilitate a comprehensive handover to the new management. I thank Stephanie for the immense effort and thoughtfulness she put into MfC and wish her all the best as she continues her career in the ACT music scene.

At different points throughout 2019, we also saw the departure of our front office staff: Jared Esposito, Jenny Brain and Kate Firkins. As I said in the 2018 annual report, MfC could not have survived to this point without their incredible effort, particularly in the time before Stephanie was able to commence work and there was no Chief Executive Officer/ Artistic Director. I am incredibly grateful for their long hours and devotion to the organisation.

Given these resignations, MfC has had the opportunity to reconsider its administrative structure and recruit to new roles. We have been fortunate to have Jerene Leong, Hailey Manning, and Anup Shrestha all join the office. They learnt the work of MfC quickly and have brought fresh ideas to how the MfC back of house functions. I also thank Julia Janiszewski for her contribution to the MfC administration during her short stint with us last year.

In terms of the management model, after much discussion, the Board decided to return to an earlier arrangement of separate roles to manage the business and provide artistic guidance. The 2018 recruitment process had yielded few

candidates that had the breadth of training and/or experience required and feedback from Stephanie was that the combined position had an enormous and unwieldy workload. Accordingly, Peter Thomson was recruited to the new position of General Manager and Warwick Tyrell to the role of Artistic Director. They both commenced late in the year.

There have also been changes to the composition of the Board. Long term members Natalie Truong and Nathan Hancock have left; Cath Webb and Bruno Yvanovich decided not to seek reappointment once their year elapsed though both have continued to be involved with MfC. I thank them all for their significant contribution to Board deliberations. After advertising for new members and attracting a very large field, Yu-Lan Chan, David Harvey, Russell Eade, Vy Le and James Copelin have all joined, bringing with them a wealth of experience across artistic, governance, community, and professional fields.

Apart from the many personnel changes, MfC has taken deliberate steps to adopt a modernisation agenda in terms of its offerings and how it goes about its work. A joint Board and staff planning day was held in March to revisit and renew our mission and vision, as well as set new business priorities. Board and management have also met with artsACT throughout the year as the new funding guidelines are being considered and determined, to ensure that MfC is in a solid position to re-contest under the revised arrangements.

At this point in the Chair report, I would normally summarise our future directions and particular areas of focus planned for 2020. I would be writing this piece in March with another nine months to fulfil that agenda. However, I cannot ignore that the COVID-19 pandemic has delayed annual reporting requirements and completely overtaken the plans made for 2020. At this time, little of the innovation work MfC was intending to implement has commenced, but that does not matter as business survival has been at stake.

I am very proud that MfC is financially and commercially sound enough to have withstood the need to change its program quickly and maintain the confidence of members and the community in these very trying times. I hope that we will be able to resume our grand plans prior to the end of this year.

Sincerely,

Liesl Centenera
Chair of the Board
Music For Canberra



MESSAGE FROM GENERAL MANAGER



I was appointed to the position of General Manager at Music for Canberra in November 2019, and I am proud to join the organisation at such a key time in its history. Having not played a musical instrument besides the recorder at primary school, the learning curve has been interesting, existing and challenging. I'd like to take this opportunity to thank Lindy Reksten, Dr Stephanie Neeman, Warwick Tyrell, for their patience, guidance and support.

I fundamentally believe in the mission of Music for Canberra and with more than 50+ years of creating musical experiences behind us, I believe that we are in a fortunate position to grow and develop our organisation and our offerings.

2019 has been a busy time for Music for Canberra, with over 8,320 Rehearsal and Classes, 36 concerts to a combined attendance of 4,043 people, seven (7) free community workshops with 143 participants, three (3) performances at Floriade, as well as an open day and three (3) eisteddfod performances. Our enrolments peaked in almost 700 members in term three (3), which is a great result.

Overall, the organisation has been taking positive steps forward, and this has put the organisation in good stead to tackle the challenges of 2020.

Sincerely,

Peter Thomson
General Manager
Music for Canberra

ABOUT MUSIC FOR CANBERRA

ORGANISATIONAL CONTEXT

Music for Canberra (MfC) is an ACT Government Key Arts organisation and registered charity, operating a diverse range of music education and performance programs that include individual and group lessons, choirs, orchestras ensembles and mixed ability classes. MfC is a values-driven organisation; our values are passion, community and growth

OUR MISSION STATEMENT

With a commitment to music education and live performance, Music for Canberra provides access to high quality, inspiring, innovative and diverse musical experiences for people of all ages, backgrounds and abilities, particularly in the ACT and surrounding regions.

OUR VALUES EXPLAINED

PASSION:

We are passionate about music and the benefits music brings to the music brings to individuals and our community. We communicate with and share our passion through performances, music contributions and other activities across the ACT and surrounding regions.

COMMUNITY:

Through collaborations and partnerships, we aspire to nature the love of music in all individuals, inclusive of all abilities, while respecting each other's views and experiences.

GROWTH:

We inspire and support everyone to develop their musical abilities and appreciation, strive, to achieve their artistic goals and support them to perform their best.

2.671 TOTAL YEARLY ENROLMENTS

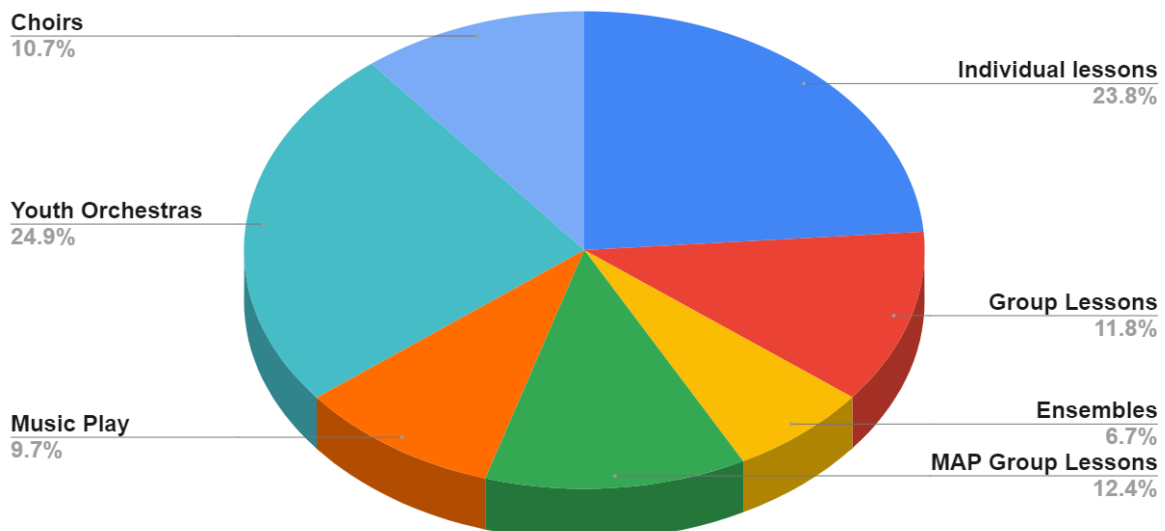
8.320 REHEARSALS AND CLASSES

1.498 EVENT PARTICIPANTS

50 PERFORMANCES

6.866 AUDIENCE MEMBERS

2019 ENROLMENTS BY PROGRAM AREA



ARTISTIC EVALUATION

In 2019, Music for Canberra has continued to provide opportunities for people from all backgrounds, ages and abilities to access music through our many classes, workshops and ensembles held at the Ainslie Arts Centre, Tuggeranong Arts Centre and ANU School of Music. Our programs are growing and adapting to meet the needs of our students and the Canberra community.

We continue to nurture and develop partnerships with relevant organisations, including the ANU School of Music, Canberra Symphony Orchestra, Australian World Orchestra, Canberra International Music Festival, Canberra Choral Society, Regional Youth Orchestra of New South Wales, Ainslie School, Orana Steiner School, Canberra Grammar School, Canberra Girls Grammar School, High Court of Australia, Canberra Hospital-Adult Mental Health Unit, Mental Health Community Coalition ACT, retirement villages, the Ainslie and Gorman Arts Centres, and the Tuggeranong Arts Centre. These relationships allow Music for Canberra to establish co-hosted programs and give current students the opportunity to engage with their community and to perform and experience music in a variety of settings.

DISCOVER MUSIC FOR CANBERRA

Discover Music for Canberra is a weekend designed to bring Music for Canberra's activities to a broader community audience. Held in August 2019, this year's event consisted of an open day of workshops and performances that showcased the wide range of classes and ensembles we offer. The Music Play, Drumming and Choir workshops were very popular. Other performances throughout the day featured Seasoned Voices, our string stream ensembles, the Canberra Children's Choir, recorder ensembles, and a brass ensemble and string quartet from the Canberra Youth Orchestra. Over 500 people attended.



The James McCusker Orchestra Christmas Concert at the High Court of Australia. Photo: Peter Hislop

JAMES MCCUSKER ORCHESTRA AND INTERNATIONAL COLLABORATION

In August 2019, the James McCusker Orchestra (JMO) collaborated with the Hong Kong Post Modern Orchestra (HKPMO). We organised a collaborative concert and workshop that included rehearsals and tutorials with Canberra Symphony Orchestra players.

The workshop concluded with a collaboration concert between JMO and HKPMO, conducted by both HKPMO conductor Gisele Ng and JMO conductor Louis Sharpe. They performed to an enthusiastic packed audience. The cultural exchange was valuable to all participants.

JMO was awarded the Chief Minister's Gold Award celebrating their 50-year anniversary and they also won first prize in the band and orchestra section at the 2019 Australian National Eisteddfod.



Canberra Children's Choir come and try session at Discover Music For Canberra. Photo: William Hall

COMMUNITY ENGAGEMENT

Our senior choir Seasoned Voices gave more performances than any other MfC ensemble in 2019. They performed 14 concerts in various venues in the community, including retirement villages, and community centres. Concerts were held at the Seniors Expo at EPIC, St. Andrews in Woden, the Raiders Club, and Kangara Waters Retirement Community Village in Belconnen among others. Seasoned Voices was awarded the 2019 Positive Ageing Awards by Gordon Ramsay MLA, Minister for Seniors and Veterans and Minister for Arts.



Seasoned Voices at the Floriade. Photo: Hayley Manning

We also offered music workshops for refugees in partnership with the Canberra International Music Festival. The program focused on rhythm and creativity and provided a supportive environment for the fun and creative exploration of music.

With the assistance of a Mental Health Month Reimbursement Grant from the Mental Health Community Coalition ACT, we organised “Sound Escape,” a free drumming workshop for mental wellbeing, in October 2019. This event introduced hand drumming and percussion techniques from across different cultures and was designed to alleviate stress, generate energy, promote creativity, and meet new people. There was a good attendance and it was very well received.

CANBERRA YOUTH ORCHESTRA

Canberra Youth Orchestra (CYO) had a successful and exciting year performing five high-quality concerts in 2019. CYO started the year with a collaboration concert with the James McCusker Orchestra.

In May, CYO performed as part of the prestigious Canberra International Music Festival collaborating with the

Penny Quartet, Canberra Grammar School’s choir, the Luminescence choir, and the Turner’s Treble choir. In this concert, CYO gave a world-premiere performance of a newly commissioned work by an Australian composer Bree van Reyk.

In June, CYO performed Carl Orff’s masterpiece Carmina Burana with the Canberra Choral Society, and Music for Canberra’s Seasoned Voices and the Canberra Children’s Choir to an audience of more than 900 people. In September, CYO performed works of 5 ANU composers in a concert in Llewellyn Hall. The concert also featured the CYO concerto competition winner Nicholas Hilderson. This concerto competition was greatly expanded in 2019, accepting entries from all ACT and NSW regional youth musicians, not only CYO members as in past years. The number of participants tripled, and the quality of the performances was substantially higher.



Canberra Youth Orchestra and the Canberra Choral Society. Photo: Peter Hislop

With the intention to attract younger audience members to CYO concert, we ended the year by presenting Melbourne’s young violin prodigy Christian Li. As expected, the first prize winner of the Yehudi Menuhin International Violin Competition was not only young and brilliant, but his ability to communicate through music was incredible and admirable. This concert attracted many young people. Most of them had never been to a concert hall before and were very impressed by the whole musical experience. He was an inspiration to all of the CYO players.

CYO players together with The Regional Youth Orchestra of New South Wales (RYO NSW) participated in workshops with the members of the Australian World Orchestra.

A few CYO players also joined RYO NSW in their concert tour in Goulburn, NSW.



“Sound Escape” Drumming Workshop. Photo: Hayley Manning

WIDENING AUDIENCE

We have widened our audience demographic by continuing to provide free workshops and to perform in the community. Our Children's Choirs performed at the ACT Legislative Assembly, MfC Open Day, and at the Canberra Hospital. The Seasoned Voices Choir appeared numerous times at many local retirement homes and hospitals. Music for Canberra provided a drumming workshop at the Ainslie School's annual Fete and organised a workshop for string players with Robert Harris at the Ainslie Arts Centre.

This year, three of our musical groups were selected to perform at the Floriade's Stage 88. The James McCusker Orchestra (JMO), Seasoned Voices and the Brass Ensemble had an audience of more than 1600 at this popular Canberra springtime event. JMO also gave a free family holiday concert at the High Court last year.



The Brass Ensemble at Floriade.

GOVERNANCE

OUR BOARD MEMBERS

Liesl Centenera, Chair

Liesl is a governance, policy and human resources consultant. After a career spanning 20 years in the community and public sectors, she now runs her own business helping organisations make excellent decisions around people and culture matters that support and drive business improvement. Liesl holds degrees in economics and law and is admitted to practice in the ACT Supreme Court. She attended the China Executive Leadership Academy in Pudong (Shanghai) and is an alumni of the Australian Leadership Innovation Centre. She is a Graduate of the Australian Institute of Company Directors and a Member of the Institute of Managers and Leaders. Liesl also holds board positions at the Territory Records Advisory Council, Bosom Buddies ACT and Sts Peter and Paul Primary School Community Council.

Liesl joined the board in September 2017 as an ordinary member and was elected to Chair in May 2018. She has no perceived or actual conflicts of interest to disclose.

CHALLENGES

The majority of group classes and programs held at Ainslie Arts Centre were at or near capacity in 2019. Music for Canberra had a record high number of participants in 2019. Group retention rates were high, with only a very limited number of classes needing to be cancelled due to poor enrolment. However, the limitations of tutor availability and the time and space limitations at AAC make it difficult to increase the number of classes we can offer each term, resulting in wait lists and the potential loss of incoming students.

Another challenge involved in running groups, ensembles, and orchestras is making repertoire and artistic choices that accommodate a wide range of ages and skill levels. During 2019, our CEO and Artistic Director together with our conductors and a number of instrumental specialists addressed concerns around the complexity of the repertoire choices. These discussions are ongoing and will continue to ensure the content for each ensemble is appropriate for the targeted participants.

**By Dr Stephanie Neeman
2019 Artistic Director**

Lindy Reksten, Vice-Chair

Lindy is a professional musician (cellist) and spent 10 years working in Germany as a cellist in an opera house, as well as teaching at several music schools. Since returning to Australia, Lindy has established a busy private teaching studio as well as teaching in several schools and the ANU School of Music, also running the instrumental programs at the ANU Open School of Music. She has been involved with MFC for many years, both as a tutor, a music advisor and many years ago as a member of the board. She was "back in the day" principal cellist in the Canberra Youth Orchestra.

Currently a cellist in the Canberra Symphony Orchestra, Lindy plays for many other organisations around the city and is also one of the player's reps for the Orchestra. She has recently taken over the coordination of the new Kingsland Resident Artists Program at the Canberra Symphony Orchestra, a program designed to bring young graduate musicians to live and work in Canberra.

Lindy joined the board in May 2018 as a general member. During 2018, Lindy was an employee of the Canberra Symphony Orchestra and agreed to abstain from voting on matters concerning the CSO.

GOVERNANCE

OUR BOARD MEMBERS (CONTINUED)

Ashok Pothen, Treasurer

Ashok has joined Music for Canberra with wealth of experience in financial and accounting functions of leading commercial and public sector organisations in Australia and overseas and for the past 14 years he has been working for Australian Public Service. Ashok is a member of CPA (Certified Practising Accountant Australia) and CA ANZ (Chartered Accountant Australia and New Zealand) and have masters in Finance and also a CAMS (Certified Anti Money Laundering Specialist) He is very passionate about the contributions of the Arts in the ACT community.

David Harvey, Secretary

Originally from Melbourne, David has had an international career in Australia, Japan and the US, having worked in the Japanese finance industry for more than 30 years. Fluent in Japanese, he is currently a director of the Asian Finance Group, which specializes in research on Asia and translation of business, finance documents and policy papers. He is a Graduate of the Australian Institute of Directors and the immediate past president of the Yarralumla Residents Association and former committee member of the Inner South Canberra Community Council. International board level experience includes President of the Kaisha Society (an association for foreigners working at Japanese companies) in Japan and Trustee on the Board of the Evergreen School, near Seattle, US.

David also has a long history of musical endeavours. He has an A.Mus.A (Piano), is a graduate of the Pacific Northwest Film Scoring Program and was co-founder of Spellbound Theatre Productions, a musical theatre company active in Melbourne during the 1980s and early 1990s, during which time he also served on the committee of the Music Theatre Guild of Victoria. He also holds a Graduate Diploma of Japanese Studies (language and music). His favourite composers include Beethoven and Sondheim.

Vy Le, General Member

Vy is the Deputy CEO of the Australian Diabetes Educators Association, a not-for-profit member-based organisation. She has a wealth of experience in governance, management, corporate partnership, marketing and communications in both government and not-for-profit sectors.

Her professional experience includes senior management roles at not-for-profit member-based organisations and government sector. She has a wealth of experience in governance, management, corporate partnership, marketing and communications.

Vy holds Master's Degrees in Business Administration, Marketing Management and Project Management. She is also a member of the Institute of Managers and Leaders, the Australian Institute of Company Director and Philanthropy Australia.

Russell Eade, General Member

Russell Eade is a governance, audit and risk management specialist, with over twenty years experienced working with the Commonwealth Government (both in Australia and overseas), with responsibility for governance, planning, risk management, audit, assurance, compliance and fraud control.

He is a Graduate of the Australian Institute of Company Directors and Fellow of the Governance Institute of Australia, the Institute of Internal Auditors (Australia) and the Financial Services Institute of Australasia. Russell has a Master of Applied Finance (Macquarie University) and postgraduate qualifications in economic (University of New England).

He is currently a member of the ACT Division Council for the Australian Institute of Company Directors, the Institute of Internal Auditors (Australia) and Toastmasters International (District 70). Russell was previously on the board of the Watson Arts Centre and is passionate about the role of arts in the Canberra community.

Yu-Lan Chan, General Member

Yu-Lan is passionate about access to musical opportunities for the Canberra community and is a Canberra Youth Orchestra alumna. She has held executive committee roles for the National Capital Orchestra since 2005 including four years as president.

Her professional experience includes policy development and implementation, HR, stakeholder engagement, organisational culture, and program management. Yu-Lan has 16 years of public sector experience (ACT and APS), including 4 years in the Senior Executive Service. Roles included Secretary to the Remuneration Tribunal and Senior Executive with Responsibility for Business Integrity and Risk. She holds an Executive Masters of Public Administration and completed the Audrey Fagan Women's Leadership Program, convened by the Australian Institute of Company Directors. Yu-Lan places a high value on communication, culture and development pathways.

Yu-Lan joined the board in May 2018 as a general member. During 2018, Yu-Lan was a Vice-President of the National Capital Orchestra and agreed to abstain from voting on matters concerning NCO.

GOVERNANCE

Sheryle Moon, General Member

Sheryle Moon is the Founder of indieOn, a USA based startup disrupting the film and music distribution sector using blockchain and cryptocurrency technologies.

Her former roles include Managing Partner with Andersen Consulting (Accenture), Director with Manpower and CEO with a number of Associations, including the Australian Information Industries Association. She has worked and mentored others in the start-up environment in Australia and the USA. Sheryle established a successful Art and Event precinct in Santa Fe, NM, USA.

Sheryle completed her Economics Degree at Sydney University before undertaking her Masters of Management at ANU. She has completed a number of post graduate executive MBA courses including at Said Business School, Oxford and IMD in Lausanne.

Sheryle has been a Non-executive Director for Federal and ACT Government Boards in Australia and Santa Fe and New Mexico based Boards in the USA. Of note is her role as IT Strategic Advisor to Crimtrac, her role with the Santa Fe Gallery Association and the New Mexico Economic Development Department, her position with the ANU College of Engineering and Computer Science Industry Advisory Board and her work with numerous government boards for advancing women in non-traditional career choices, gender and pay equity.

Sheryle is a Fellow of the Australian Institute of Company Directors, and a Fellow of the Australian Institute of Human Resources. She was the Telstra Australian Businesswoman of the Year in 1999, named as one of the 20 Most Influential Women in Australia by Prime Minister John Howard in 2001 and in 2006 was inducted into the ANU College of Business and Economics Alumni Hall of Fame.

Sheryle is a published author including “Set for Life Report” Canberra, 2001, “SelfScape – Success Through Balance” Canberra, 2002, “What’s Up with Generation Y”, Sydney 2005, “Balance at Work” AIM Book 2008.

Her professional interests include building high performing individuals and organisations in a politically, economically, technologically and digitally disruptive world.

Gillie Kirk, General Member

Gillie Kirk is a long time music enthusiast, listener from an early age, learnt piano as a child, and started the cello in her forties. She recently passed her AMEB Grade VII cello exam, and is part way through a Bachelor of Music at the University of New England. It's never too late!

Her professional background is in public policy. She led policy teams in the Australian Treasury for 14 years, across areas such as competition, advice on financial regulation policy for Australia's G20 role, keeping the banks safe, international development banks, and foreign investment.

Before Treasury, Gillie oversaw vocational education grants to industry bodies, the public face of the Federal Privacy Commissioner, and strategic planning for vocational education provision in NSW. She has also worked as an adviser to the Australian Industry Group.

She has a BA Hons in Political Philosophy from Murdoch University, and a Grad Dip. In Management from the Macquarie Graduate School of Management.

MANAGING CONFLICTS OF INTEREST

Our conflict of interest (COI) policy has been developed in order to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest. This policy is reviewed annually by the Board and General Manager. Additionally, we maintain a conflict of interest register to be updated as a COI arises and records the steps taken by the Board to address the COI.

PROVIDING STRATEGIC DIRECTION

Music for Canberra's Board is a skills-based Board, with Members contributing to the strategic direction of the organisation, as well as providing advice and support to the General Manager. Our Board Members have a range of skills, experiences and interests that assist in strategic planning and guidance to the organisation and strong governance is achieved by Board Members having a clear understanding of their roles and responsibilities. All activities undertaken by the Board are to develop the organisation, to create meaningful musical experiences and to engage with the Canberra community.

MUSIC FOR CANBERRA'S CONSTITUTION

No changes were made to Music for Canberra's constitution in 2019.

OUR SUPPORTERS

We are grateful for the support from the following organisations who provide both financial and in-kind support:

Supported by



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HOW YOU CAN HELP

Music for Canberra is keen to continually improve and you can help in the following ways!

JOIN MUSIC FOR CANBERRA

All students at Music for Canberra become members when they enrol in a course of study, whether individual or group tuition, or as part of an ensemble. Membership prices are available on the website at musicforcanberra.org.au/membership and entitles the student (or parent in the case of the student being a minor) to vote at General Meetings and stand for an elected position at the MfC Council. Membership fees are charged as part of your first invoice along with class fees.

VOLUNTEER YOUR TIME

Music for Canberra has a team of wonderful volunteers who understand and are committed to assisting staff provide the best learning and performance experiences for our musicians. If you are enthusiastic and would like to contribute to a talented and dedicated team, please contact the Music For Canberra Office on 6182 0030 and discover how you can be a part of something special.

MAKE A DONATION & SPONSORSHIP OPPORTUNITIES

Music for Canberra is a not for profit organisation and relies on generous support from the community. Information regarding how to make a donation and sponsorship opportunities to assist the work of Music for Canberra, please contact our General Manager: Peter, Thomson at peter@musicforcanberra.org.au

SUBSCRIBE TO THE MUSIC FOR CANBERRA NEWSLETTER

Please subscribe to our newsletter to find out the latest projects that you can be a part of. Please subscribe here: musicforcanberra.org.au

Supporting Music for Canberra can be financial, attendance, donation of services and other creative ideas. We love to receive feedback and great ideas. If you have an idea and would love to be a part of the creative process and outcome, please express them via email to our General Manager Peter Thomson at peter@musicforcanberra.org.au

TREASURER'S REPORT

2019 has been a solid year for Music for Canberra, with highlight activities included the performances at Floriade by the Seasoned Voices Choir, the Brass Ensemble, and the James McCusker Orchestra. In 2019, Music for Canberra has engaged in 50 performances, concerts, workshop, and activities to a cumulative audience of over 6,800 people!

These performances could not be made possible without the continued support of our key partner, artsACT who provide funding as part of our Key Arts organisations funding program for Music for Canberra. We are also grateful for the support of the Snow Foundation, who directly support our Music for Mixed Abilities Program (MAP), which is an inclusive group music program for people living with disabilities.

Music for Canberra generated a surplus of \$77,957 against a projected loss of \$10,355, which overall is a great result. The key factors that contributed to this result include, increase income from program fees, donations, increased ticket sales from the first Canberra Youth Orchestra concert, and savings on expenses including corporate salaries and marketing and promotions.

As budgeted our programs that we anticipated making a loss on includes, Mixed Abilities Program, the Seasoned Voiced Choir, and the 2019 Open Day. Our Mixed Abilities program is highly valued by our members and has a significant positive social impact for the participants. While the Seasoned Voices Choir is also highly valued by members and the choir is one of our most frequently performing groups in the community.

We have identified some bad debts from members as part of the in the 2019 audit process, and these are included in the financial statements as a \$5,800 doubtful debt provision of the 2019 financial period. The doubtful debt provision allows Music for Canberra to chase up further these outstanding debts, which we are in the process of doing.

Music For Canberra's financial reserves total \$353,384. Our reserves are retained to allow us to continue to deliver our services in tough times and central to our prudent and conservative approach to financial management. The Music For Canberra Board thanks all of our donors especially artsACT for your ongoing financial support.

Our programs would not be possible without your ongoing commitment to this organisation and our community.

Peter Thomson
Genera Manager
Music for Canberra



Seasoned Voices Choir at Floriade 2019. Photo: Hayley Manning

MUSIC *f*OR CANBERRA

Music For Canberra
Ainslie Arts Centre
Elouera St, Braddon
ACT 2612

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info@musicforcanberra.org.au
www.musicforcanberra.org.au

Music For Canberra Incorporated

ABN: 52 506 914 615

Financial Statements

For the Year Ended 31 December 2019

Music For Canberra Incorporated

ABN: 52 506 914 615

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For the Year Ended 31 December 2019

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Music For Canberra Incorporated

ABN: 52 506 914 615

Committee's Report For the Year Ended 31 December 2019

The Committee Members present their report on Music For Canberra Incorporated (the "Association") for the financial year ended 31 December 2019.

1. General information

Committee Members

The names of the Committee Members in office at any time during, or by the end of, the year are:

Names	Position	Appointed/Resigned
Liesl Centenera	Chair	
Lindy Reksten	Vice Chair	
David Harvey	Secretary	Appointed 11 May 2019
Yu-Lan Chan	Ordinary Member	
Vy Le	Ordinary Member	Appointed 11 May 2019
James Copelin	Ordinary Member	Appointed 11 May 2019
Russell Eade	Ordinary Member	Appointed 11 May 2019
Nathan Hancock	Secretary	Resigned 11 May 2019
Andrew Lander	Treasurer	Resigned 17 September 2019
Natalie Truong	Ordinary Member	Resigned 11 May 2019
Cath Webb	Ordinary Member	Resigned 11 May 2019
Bruno Yvanovich	Ordinary Member	Resigned 11 May 2019

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

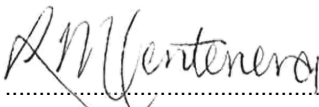
The principal activities of Music For Canberra Incorporated during the financial year were to provide access to high quality, inspiring, innovative and diverse musical experiences for people of all ages, backgrounds and abilities, particularly in the ACT and surrounding regions


No significant changes in the nature of the Association's activity occurred during the financial year.

2. Operating results and review of operations for the year

The surplus of the Association for the financial year amounted to \$ 77,957 (2018: \$26,677).

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 

Committee member: 

Date: 28 Aug 2020

Music For Canberra Incorporated

ABN: 52 506 914 615

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2019

		2019	2018
	Note	\$	\$
Revenue and other income	5	984,952	908,028
Accounting fees		(18,605)	(19,130)
Advertising		(6,367)	(17,169)
Auditor remuneration		(4,000)	(4,675)
Bad debts		(5,800)	(5,920)
Bank charges		(1,303)	(1,114)
Depreciation		(5,078)	(5,724)
Employee costs - general		(668,281)	(614,840)
Insurance		(8,459)	(8,684)
IT expenses		(11,268)	(11,200)
Lesson and concert space		(115,324)	(134,352)
Musical instruments		(3,841)	(5,786)
Office rent		(22,565)	(24,118)
Other expenses		(420)	(815)
Printing, postage and stationery		(3,095)	(4,157)
Relief tutors		(16,327)	(14,593)
Soloists/ guest travel		(9,559)	(5,889)
Telephone and fax		(1,013)	(1,510)
Training		(5,690)	(1,675)
Surplus before income tax		77,957	26,677
Income tax expense	3(a)	-	-
Surplus for the year		77,957	26,677
Other comprehensive income		-	-
Total comprehensive income for the year		77,957	26,677

The accompanying notes form part of these financial statements.

Music For Canberra Incorporated

ABN: 52 506 914 615

Statement of Financial Position

As At 31 December 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	211,692	159,261
Trade and other receivables	7	17,559	23,337
Financial assets	8	202,516	201,335
Other assets	10	32,769	23,359
TOTAL CURRENT ASSETS		464,536	407,292
NON-CURRENT ASSETS			
Plant and equipment	9	17,439	21,336
TOTAL NON-CURRENT ASSETS		17,439	21,336
TOTAL ASSETS		481,975	428,628
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	38,127	60,249
Employee benefits	13	61,673	85,210
Income received in advanced	12	26,539	4,545
TOTAL CURRENT LIABILITIES		126,339	150,004
NON-CURRENT LIABILITIES			
Employee benefits	13	2,252	3,197
TOTAL NON-CURRENT LIABILITIES		2,252	3,197
TOTAL LIABILITIES		128,591	153,201
NET ASSETS		353,384	275,427
EQUITY			
Retained earnings		353,384	275,427
TOTAL EQUITY		353,384	275,427

The accompanying notes form part of these financial statements.

Music For Canberra Incorporated

ABN: 52 506 914 615

Statement of Changes in Equity For the Year Ended 31 December 2019

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2019	275,427	275,427
Surplus for the year	77,957	77,957
Balance at 31 December 2019	353,384	353,384

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2018	248,750	248,750
Surplus for the year	26,677	26,677
Balance at 31 December 2018	275,427	275,427

The accompanying notes form part of these financial statements.

Music For Canberra Incorporated

ABN: 52 506 914 615

Statement of Cash Flows For the Year Ended 31 December 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and grant income	1,043,024	925,140
Payments to suppliers and employees	(993,125)	(904,576)
Interest received	4,894	5,705
Net cash (used in) / provided by operating activities	17 <u>54,793</u>	<u>26,269</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of term deposits	(1,181)	(1,335)
Purchase of equipment	(1,181)	(1,013)
Net cash (used in) / provided by investing activities	<u>(2,362)</u>	<u>(2,348)</u>
Net (decrease) / increase in cash held	52,431	23,921
Cash at beginning of the financial year	<u>159,261</u>	<u>135,340</u>
Cash at end of the financial year	6 <u><u>211,692</u></u>	<u><u>159,261</u></u>

The accompanying notes form part of these financial statements.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

The financial statements cover Music For Canberra Incorporated (the "Association") as an individual entity. Music For Canberra Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

1 Basis of Preparation

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the committee have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15 and AASB 1058

The Association has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 January 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 January 2019.

The key changes to the Association's accounting policies and the impact on these financial statements from applying AASB 15 and AASB 1058 are described below.

Transfer of control to a customer - over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The Association has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Income of Not-for-Profit Entities - Adoption of AASB 1058

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Where there is an 'enforceable' contract with a customer with 'sufficiently specific performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Impact of adopting the new revenue Standards AASB 15 and AASB 1058

The Association has assessed the impact of adopting the new revenue standards and it was determined that the adoption of these new standards had no significant impact on the Association's current revenue streams.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

2 Change in Accounting Policy

Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 January 2019 and therefore the comparative information for the year ended 31 December 2018 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the profit and loss statement on a straight line basis.

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue is recognised when the Association is entitled to it.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

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

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, 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.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Grant revenue

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

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Association gains control of the asset.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(d) Plant and equipment

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

Items of plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Plant and equipment are depreciated on a reducing balance basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Office equipment	30-35%
Music instrument	10-30%
Sheet music	30%
Furniture, Fixtures and Fittings	7.50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Association has no investments in listed and unlisted entities.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Association holds no assets that falls into this category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

Music For Canberra Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements

For the Year Ended 31 December 2019

3 Summary of Significant Accounting Policies

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statements of assets and liabilities if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

4 Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgements 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.

The significant estimates and judgements made have been described below.

Key estimates - impairment of plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

5 Revenue and Other Income

	2019	2018
	\$	\$
Revenue		
- Box office and entry fees sales	28,626	27,681
- Donations	14,659	2,854
- Interest	4,490	5,575
- Membership fees	22,105	19,870
- Participation / workshop fees	616,358	554,174
	<u>686,238</u>	<u>610,154</u>
Grants		
- ACT arts fund	279,623	273,471
- Llewellyn hall fund	10,000	15,000
- Mazda foundation fund	-	4,858
- Snow foundation fund	9,091	4,545
	<u>298,714</u>	<u>297,874</u>
Total	<u><u>984,952</u></u>	<u><u>908,028</u></u>

6 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	211,692	159,261
	<u>211,692</u>	<u>159,261</u>

7 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	23,359	23,337
Provision for doubtful debts	(5,800)	-
Total current trade and other receivables	<u>17,559</u>	<u>23,337</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Financial Assets

	2019	2018
	\$	\$
CURRENT		
Term deposits	202,516	201,335
	<u>202,516</u>	<u>201,335</u>

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

9 Plant and equipment

	2019	2018
	\$	\$
Furniture, fixtures and fittings		
At cost	8,814	8,814
Accumulated depreciation	(7,426)	(7,202)
Total furniture, fixtures and fittings	<u>1,388</u>	<u>1,612</u>
Office equipment		
At cost	50,374	49,195
Accumulated depreciation	(43,594)	(40,873)
Total office equipment	<u>6,780</u>	<u>8,322</u>
Musical instruments		
At cost	52,661	52,661
Accumulated depreciation	(45,467)	(44,225)
Total musical instruments	<u>7,194</u>	<u>8,436</u>
Sheet music		
At cost	87,257	87,257
Accumulated depreciation	(85,180)	(84,291)
Total sheet music	<u>2,077</u>	<u>2,966</u>
Total plant and equipment	<u><u>17,439</u></u>	<u><u>21,336</u></u>

10 Other Assets

	2019	2018
	\$	\$
CURRENT		
Accrued income	446	850
Prepayments	32,323	22,509
	<u>32,769</u>	<u>23,359</u>

Music For Canberra Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2019

11 Trade and Other Payables

	2019	2018
	\$	\$
CURRENT		
Trade payables	2,781	12,162
Accrued expenses	5,140	21,179
Other payables	8,053	4,681
Superannuation payable	22,153	22,227
	<u>38,127</u>	<u>60,249</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Income received in advance

	2019	2018
	\$	\$
Income received in advance	26,539	4,545
	<u>26,539</u>	<u>4,545</u>

13 Employee Benefits

	2019	2018
	\$	\$
CURRENT		
Annual leave provision	12,995	23,499
Long service leave provision	48,678	61,711
	<u>61,673</u>	<u>85,210</u>
NON-CURRENT		
Long service leave provision	2,252	3,197
	<u>2,252</u>	<u>3,197</u>

Music For Canberra Incorporated

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Notes to the Financial Statements For the Year Ended 31 December 2019

14 Financial Risk Management

The Association is exposed to a variety of financial risks through its use of financial instruments.

The Association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Association is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk

Financial instruments used

The principal categories of financial instrument used by the Association are:

- Trade receivables
- Cash at bank
- Term deposit
- Trade and other payables

	Note	2019 \$	2018 \$
Financial assets			
Held at amortised cost:			
Cash and cash equivalents	6	211,692	159,261
Trade and other receivables	7	17,559	23,338
Term deposit	8	202,516	201,335
Total financial assets		431,767	383,934
Financial liabilities			
Trade and other payables	11	38,127	60,249
Total financial liabilities		38,127	60,249

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements

For the Year Ended 31 December 2019

14 Financial Risk Management

Liquidity risk

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Association's standard payment and delivery terms and conditions are offered. The Association review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Committee of Management receive monthly reports summarising the turnover, trade receivables balance and aging profile of each of the customers individually.

The Association's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2019

14 Financial Risk Management

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

15 Auditors' Remuneration

	2019	2018
	\$	\$
Remuneration of the auditor Hardwickes Chartered Accountants, for:)		
- Auditing or reviewing the financial statements	4,000	4,675
Total	4,000	4,675

16 Contingencies

In the opinion of the Committee Members, the Association did not have any contingencies at 31 December 2019.

17 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities	2019	2018
	\$	\$
Surplus for the year	77,957	26,677
Non-cash flows in surplus:		
- depreciation	5,078	5,724
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	5,778	147,093
- (increase)/decrease in other assets	404	130
- (increase)/decrease in prepayments	(9,814)	(6,974)
- increase/(decrease) in income in advance	24,267	(152,800)
- increase/(decrease) in trade and other payables	(24,395)	(11,334)
- increase/(decrease) in employee benefits	(24,482)	17,753
Cashflows from operations	54,793	26,269

Music For Canberra Incorporated

ABN: 52 506 914 615

Notes to the Financial Statements

For the Year Ended 31 December 2019

18 Events after the end of the Reporting Period

COVID-19 was declared a global pandemic by the World Health Organisation on 11 March 2020. The impact of the virus has seen an unprecedented global response by governments, regulators and numerous industry sectors. The Association's financial results for the 2019 financial period has not been materially impacted by COVID-19 due to the changes in the Association's revenue stream falling after the end of financial year.

The impact of COVID-19 on the 2020 financial year has been substantial, with a 39.3% decline in enrolments in Term (2) two of 2020 compared to Term (1) one of 2020. The Association has cancelled all concerts and events for the 2020 financial period, with the possible expectation that the Association might proceed with small concerts in Term 4 of 2020. In March 2020, the Association spent five weeks moving its business from in person programming to online programming in order to reduce the financial impact of COVID-19, this has resulted in a 40% decline in enrolment fee.

The Association continues to monitor developments in the COVID-19 pandemic and the measures being implemented on the economy to control and slow the outbreak. Given the dynamic nature of the circumstances and the significant increase in economic uncertainty, the related impact on the Association's results of operations, cash flows and financial condition for the 2020 financial year it cannot be reasonably estimated at this stage.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

19 Association Details

The registered office of the Association is:
Music For Canberra Incorporated
Ainslie Art Centre
Elouera Street
BRADDON ACT 2612

Music For Canberra Incorporated

ABN: 52 506 914 615

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



Responsible person



Responsible person

Date: 28 Aug 2020

Independent Audit Report to the Members of Music For Canberra Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Music For Canberra Incorporated, which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of Music For Canberra Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of Music for Canberra Incorporated's financial position as at 31 December 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of Music for Canberra Incorporated in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Members for the Financial Report

The Members of Music for Canberra Incorporated are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Members are responsible for assessing Music for Canberra Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members either intends to liquidate Music for Canberra Incorporated or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Music for Canberra Incorporated's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, 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.

Independent Audit Report to the Members of Music For Canberra Incorporated

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Music for Canberra Incorporated's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.
- Conclude on the appropriateness of the Members 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 Music for Canberra Incorporated's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Music for Canberra Incorporated 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.

We 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 we identify during our audit.

Hardwicks
Chartered Accountants

Robert Johnson FCA
Partner

Canberra