

MUSIC *f*OR CANBERRA

2022

ANNUAL REPORT

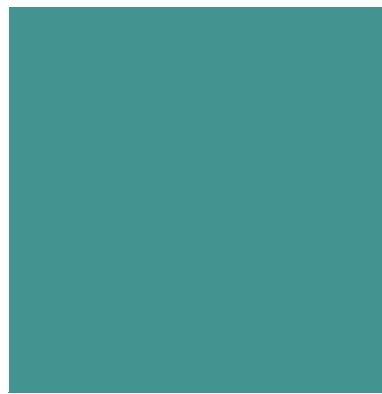
*Passion,
Community,
Growth*



Supported by



ACT
Government



ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Custodians of the ACT, the Ngunnawal people. We acknowledge and respect their continuing culture and the contribution they make to the life of this city and this region.

CONTENTS

MESSAGE FROM THE CHAIR	1
ABOUT MUSIC FOR CANBERRA	2
ARTISTIC REPORT	3
COMMUNITY ENGAGEMENT	5
OUR PEOPLE	6
CORPORATE GOVERNANCE	6
SUPPORTERS	10
THANK YOU (DONATIONS)	11
TREASURER'S REPORT	12
FINANCIAL STATEMENTS	13

MESSAGE FROM THE CHAIR

MfC is an organisation for making music. Our vision is for “increased access to and participation in music in all its diversity, enriching the lives of individuals and the community in Canberra and beyond.” Community is at the heart of MfC and, when formulating our current strategy, the Board was very aware of the need for better engagement with the community for MfC to accomplish its mission “to inspire and engage a large and diverse audience through exceptional musical performances and participation programs.”

We are all indebted to the leadership shown by our talented conductors and tutors who have continued to run our many programs through difficult times. We also acknowledge the orchestra managers and numerous volunteers as well as the admin team who have made everything possible. Like many community organisations we bring together people with a shared interest to create something wonderful through our combined efforts.

Unfortunately, COVID-19 had a negative impact on what we have been able to achieve, which was followed by considerable staff turnover during 2022. We regretfully said goodbye to a number of long-term staff members during 2022 including Barbara Jerjen, who we particularly thank for her many years of service to MfC, and its predecessor Music for Everyone.

We also had turnover on the Board during 2022 and I extend my thanks to all current and former Board members. I thank them for their tireless efforts during the year, particularly in relation to the formulation of the MfC strategy and their extensive work on our grant application to the ACT Government. We thank the ACT Government once again for their support in 2023 and recognise that ongoing funding from the ACT Government is not assured.

We are very aware of the need to diversify our funding sources and to attract more grants, donations and sponsorship, which we hope to do with the support of our community.

One focus during 2022 was to ensure that all staff were contracted and paid in accordance with the relevant awards. Regretfully, this project was not completed as anticipated during 2022. However, we have introduced minimum calls of 2 hours for all staff as required by the various awards that we reference. A consequence has been difficulties in administering individual lessons, so we made the decision at the end of 2022 to cease the provision of all individual music lessons and focus our attention on group and ensemble music. We are currently focused on 4 key areas: ensemble and group classes (including orchestras and bands), choirs, pre-school music classes, and music for people living with disability. We have also been looking at ways to expand our offerings beyond classical programs, which we hope to roll out during 2023.

There are many great ideas for how MfC can build on its past and grasp future opportunities in line with our strategy. A new management team will be tasked with implementing many of these ideas and rebuilding MfC.

On behalf of the Board, I extend my thanks to all staff and volunteers for their untiring commitment and to all our members who join with us in making and enjoying music.



David Harvey
Chair of the Board

ABOUT MUSIC FOR CANBERRA

OUR VISION

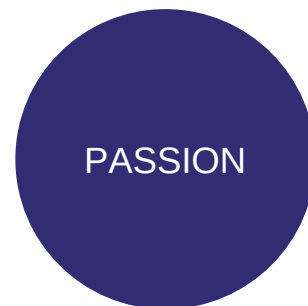
Increased access to and participation in music in all its diversity, enriching the lives of individuals and the community in Canberra and beyond.

MISSION STATEMENT

To inspire and engage a large and diverse audience in Canberra and beyond through exceptional musical performances and participation programs

OUR FUTURE IS BASED ON THREE CORE VALUES:

1. **Passionate about music** and the benefits music brings to individuals and our community. We communicate and share our passion through performances, musical contributions and other activities in Canberra and beyond,
2. **Community encouragement** helping everyone to nurture and express their love of music through our programs, and
3. **People Growth** through inspiration and support to develop their musical abilities and appreciation, strive to achieve their artistic goals and support them to perform their best.



1,425	Total Enrolments
21	Performances
4,919	Classes/rehearsals
972	Audience members

ARTISTIC REPORT

Music for Canberra (MfC) had a busy and successful year in 2022, participating in various musical events and initiatives. One of the first events MfC participated in was the Floriade Ministerial Launch, where a small ensemble put together by the organization performed.

MfC also introduced a new initiative in 2022 called Music on the Move. This initiative aimed to bring the joy of music to aged care residents in Canberra, many of whom have been recently unable to leave their homes to see live performances. As part of this initiative, a chamber ensemble and instrumental students successfully delivered three simultaneous concerts to residents at Goodwin Village in Ainslie and Monash, and Jindalee Aged Care in Narrabundah on Saturday 11 December 21. These concerts were funded by the Winter Fund Grant, and were an extraordinary success, with overwhelmingly positive feedback from residents on the day.



MfC also participated in various other events throughout the year, including Magic and the Masters, First Steps: A Classical Journey, Second Steps: A Stepping Stone, and Twilight Tales. Magic and the Masters was held at the Albert Hall on the evening of Saturday April 2nd and featured pre-show champagne by the bubble bus, a surprise act, and jazz music. CYO and JMO also performed at this event. First Steps: A Classical Journey and Second Steps: A Stepping Stone were held at the Albert Hall and Ainslie Arts Centre, respectively. Both events featured performances by MfC's string stream ensembles and the Canberra Children's Choir. Twilight Tales, a successful concert, featured the Canberra Youth Orchestra and was held at the Belconnen Arts Centre.

Finally, MfC's biggest event of the year was The Celebration, which was the organization's end-of-year concert. Approximately 160 performers from Music Play, Ukulele Group, Piano Students, Canberra Youth Orchestra, Training Choir, Camerata, Sinfonietta, String Ensemble, and the James McCusker Orchestra participated in this concert. The performance was held in the Bicentennial Hall of the Queanbeyan Performing Arts Centre to cater for the large crowd of parents and the public. The Celebration showcased all that MfC offers, from the babies up to the advanced young musicians of the CYO.

2022 was a rebuilding and developing year for the Children's Choir (and Training Choir). The lockdowns in the latter part of 2021 prompted the choir to be paused for term 4. This impacted the momentum created by the choir's outstanding performances in Opera Australia's 2021 touring production of Carmen and a number of singers sadly did not return. However, we were able to rebuild in 2022 to a structure which had the addition of a new probationary group called Junior Voices to prepare graduates of Training Choir for the Children's Choir. Our momentum was well and truly back by the second half of 2022 with another successful collaboration with Opera Australia (Barber of Seville), performances at Floriade and Belconnen Arts Centre with ANU Vocal Fry and a triumphant finale to the year in an outdoor concert in December as part of 'Ginninderry Christmas in the Park'.



COMMUNITY ENGAGEMENT

MIXED ABILITY PROGRAM

MAP classes were refreshed with new tutors, activities and content. The new tutors brought a wealth of experience from a range of musical backgrounds to reinvigorate MAP including music therapy, secondary school music teaching, performance and leading musical groups. Our focus was not only to have fun but also to provide a forum where our students could express themselves through singing, dance, movement to music, and playing instruments including tuned and untuned percussion. Our classes provided the opportunity for our students to socialise, gain self-confidence, improve concentration, improve sensory integration, exercise gross and fine motor skill, and stimulate their respiratory systems.



FLORIADÉ

Music for Canberra put together a small ensemble, which performed at the Floriade Ministerial Launch in 2022.

The Canberra Children's Choir, the James McCusker Orchestra and the Canberra Youth Orchestra also represented Music for Canberra at Floriade.

CYO celebrated the opening weekend of Floriade, performing on Stage 88 in Commonwealth Park. The orchestra also ran instrumental workshops where audience members could learn from a student to play an instrument.

OUR PEOPLE

We extend our thanks to all the talented musicians and others who helped with the provision of MfC programs during 2022, many on an adhoc basis.

The following is a list of people who had ongoing positions with MfC at some point during 2022.

CONDUCTORS

Louis Sharpe
John Ma
Mandy Philipse
Jenny Higgs
Lucy Macourt
Harry (Wei) Tsai
Tim Wickham
Liam Meany

ORCHESTRA MANAGERS

Cait Greenup
Dieu Lam
Bonnie Roppola
Vanessa Woodburn
Arvin Lee
Candice Cappe
Kapil Bhuta
Yolanda Fisher

TUTORS

Barbara Jerjen
Karim Camprovin Sanchez
Tom Sherrigham
Ragnel Jansdotter
Kapil Bhuta
Linus Lee
Matthew Thomas Ricketts
Evan Buckley
Vivienne Tran
Abinash Crowe
Dylan Slater
Rita Woolhouse
Susan Reid
Tobias Cole
Abel Lawson

Matthew James Witney
Elysia Fisher
Shaw Herron
Theodore Ong
Anh Do
Tahni Chan
Emma Zen
Karen Owens
Nataliia Fatkulina
Jennifer McMahon
Peter Champion
Amanda Hyde
Katie Cole
Wyana O'Keefe
Louise Butler

CORPORATE GOVERNANCE

The Board of Music for Canberra oversees the strategic leadership and financial management of the organisation as well as ensuring the organisation's good governance and compliance with the many obligations and responsibilities associated with being an incorporated association, a registered charity and nonprofit organisation, a tax-deductible cultural organisation, an ACT Government Key Arts Organisation and as a participant in the National Redress Scheme

The Board's responsibilities include ensuring compliance with general laws and regulations as well as reporting and responding to any perceived breaches of Working With Vulnerable People registration and similar community standards and expectations. As an ACT Government Key Arts Organisation, all Board Members must be independent of business, management, employment, and/or artistic relationships with the organisation.

Our volunteer Board members bring various skills, experience, and expertise deemed necessary for effective Board functioning and in meeting MfC's purpose and objectives.

The Board sets various policies and procedures and ensures compliance. The Board itself has a formal conflict of interest policy, so that any actual or perceived conflicts of interest are declared and managed.

The Board ensures that regular reports are submitted as required to artsACT, the Australian Government Department of Infrastructure, Transport, Regional Development and Communication (Office for the Arts), and the Australian Charities and Not-for-Profits Commission.

To assist with the smooth operations of the organisation and communication with the Board and operations, the Board currently has three subcommittees: Artistic Subcommittee, Finance Subcommittee and Risk Subcommittee which meet regularly. Board members also sit on the Register of Cultural Organisations (ROCO) Committee, which is required to manage the tax-deductible public fund.



AS OF 25 APRIL 2023, THE BOARD COMPRISED THE FOLLOWING MEMBERS:

DAVID HARVEY, CHAIR

GAICD

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, specializing in research on Asia and translation of finance and corporate governance documents. He is a 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, in the greater Seattle area, US.

David has an A.Mus.A (Piano) and is a graduate of the Pacific Northwest Film Scoring Program (Seattle). He was co-founder of the Melbourne-based musical theatre company Spellbound Theatre Productions and also served on the committee of the Music Theatre Guild of Victoria. He also holds a Graduate Diploma of Japanese Studies (language and music).

GABRIELLE TRENATH, ORDINARY MEMBER

GAICD

Gabrielle has recently moved to Canberra to work with Australian Public Service after working for the WA State Government. Previously she sat on the boards of the Disability Service Commission, a community service provider and a domestic violence shelter. She is a Chartered Secretary, Chartered Governance Professional and is passionate about good governance in the community and NFP sectors.

Music has been a constant presence throughout her life and Gabrielle sung in many choirs in Perth and she continues to do so in Canberra.

BRIAN FERREIRA, VICE CHAIR

GAICD

Brian migrated to Australia from South Africa after a long international career in technology and business. In Australia, Brian is a Managing Partner for an advisory firm supporting boards and the c-suite on various business, technology, board environment items.

Brian has a personal philosophy about the impact of music on people and has a deep relationship with Baroque music. In addition to this love for music, Brian is experienced and qualified in the board environment as a Chartered Secretary, Chartered Governance Professional and a Masters Degree in Governance and Leadership. Brian's contribution to the board is about strategic thinking, maturing the board's operations and supporting Canberra's ambition to be a Design City as part of the UCCN where creativity as a strategy is deployed for urban development.

SARAH JENNETT, TREASURER

GAICD

A long time Canberra resident, Sarah is a senior executive whose current CEO role is in the higher education sector. Sarah has experience building and leading for-profit and for-purpose organisations and enjoys the process of building relationships for positive stakeholder outcomes.

Having enjoyed the experience of her children participating in Music for Canberra programs in their younger years, Sarah sees value in providing accessibility of music education to the families of Canberra. Sarah strongly supports the concept of community and sees joining the Board of Music for Canberra as an opportunity to contribute.

Sarah is a graduate and member of the Australian Institute of Company Directors and has a Masters in Business Administration.

JANE HAYCOCK, SECRETARY

GAICD

Jane brings to the Music for Canberra board experience in governance and accountability from her roles as Vice-President, Ottawa Children's Choir, Board Chair of the Global Innovation Exchange and as a UK representative on the Executive Boards of UNICEF and UNDP at the United Nations. Jane is currently the CEO of a peak body and has extensive experience in international development having worked for the Department of Foreign Affairs and Trade and the UK Department for International Development. Jane has sung in many choirs and played the violin in the Camden Symphony Orchestra whilst living in London. She is an advocate for inclusion and diversity and loves the opportunities music offers people from different cultures to come together, be creative and have fun, while developing their technical skills and sense of community.

JASON LI, ORDINARY MEMBER

Jason Jingshi Li is a data scientist based in Canberra. He has more than a decade of experience in artificial intelligence research and development, and currently leads the technical delivery of AI solutions to public and financial sectors. He holds a PhD in Computer Science from the Australian National University, and was previously a research scientist at the ANU and the Swiss Federal Institute of Technology in Lausanne (EPFL). He co-founded the Black Mountain Piano Quartet, where he also serves as the principal violinist. Jason was born in China, spent his formative years in New Zealand, and moved to Australia when he was 18. He is married with two primary-school-age children.

RUSSELL EADE, ORDINARY MEMBER

GAICD

Russell is a governance, audit and risk management specialist, with over twenty years experience 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 Fellow of the Governance Institute of Australasia and has a Masters of Applied Finance (Macquarie University) and postgraduate qualifications in economics (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 the arts in the Canberra community.

ANNIE HAGGAR, ORDINARY MEMBER

Annie grew up with music- playing cello, piano, and singing in many of Music for Canberra's prior organisations- CYO Society, Canberra Children's Choir and Gaudeamus.

She is a multi-award-winning cybersecurity and technology lawyer. She worked as senior in-house legal counsel for over a decade with one of the most advanced technology services companies in the world- Accenture. She now runs her own cybersecurity legal practice. She has previous board experience with Not for Profit organisation in Canberra.

Annie has two little girls (3 and 5) who love music, and she joined the Board of MfC to help ensure children in Canberra have access to top-quality music education and performance experiences.

SUPPORTERS

We are grateful for the support from the following organisations:



Ainslie and Gorman
Arts Centres



ACT
Government



HOW YOU CAN HELP

JOIN MUSIC FOR CANBERRA

All students at Music for Canberra become members when they enrol in a course of study. Membership details are available on our website. Membership fees are part of your first invoice along with class fees.

VOLUNTEER YOUR TIME

Music for Canberra has a team of wonderful volunteers. If you are enthusiastic and would like to contribute to a talented and dedicated team, please contact the Music for Canberra Office at info@musicforcanberra.org.au 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. For information regarding how to make a donation to assist the work of Music for Canberra, please contact us at info@musicforcanberra.org.au

THANK YOU (DONATIONS)

While MfC receives some government and corporate sponsorship, we are indebted to individuals who provide financial assistance through donations and bequests.

Every donation makes a difference and we thank the following for their financial assistance in 2022.

**Sophie Baker
Wilma Byrne
Brian Ferreira
David Harvey
Jane Haycock
Harry Hoang
Charles Ingle
Jingshi Li
Mary Meaney
Helena Popovic
Gabrielle Trenbath
Chris Wojtas
Luke Wensing**



TREASURER'S REPORT

Music for Canberra's (MfC) 2022 Financial Statements are provided for members' review and consideration. These statements have been audited by PKF Accountants in accordance with the Australian Auditing Standards under the requirements of the Corporations Act 2001.

MfC endured a number of business and people challenges post COVID which impacted MfC's financial standing. Revenue has been impacted as a result of long-term staff departures and challenges with re-building programmes post COVID. Some notable variances in expenses include increased accountancy and bookkeeping as, for a time, this function was outsourced (offset by a reduction in staffing costs). There was also an increase in legal and governance fees, partially due to the work undertaken to audit and ensure compliance of employee conditions. The increase in professional fees and consultants reflects that some of the tasks previously performed in house were outsourced. When the cost of such outsourcing is combined with in house administration costs, total administration costs increased by 11% in 2022, which is unsustainable given the decline in revenues associated with lower enrolment numbers. This has impacted MfC financial standing negatively and the following topline items are noted in this regard:

1. MfC recorded an after-tax trading loss of -\$229,323 compared to a 2021 end of year result of -\$46,469.

2. Retained earnings have reduced as a result and ended with a balance of \$281,360 compared to \$510,683 at the end of 2021.

3. Similarly, the cash and equivalents has ended at \$321,108 with the 2021 balance being \$633,535.

The Board is cognisant of the deteriorated financial result and is closely monitoring income and expenditure to ensure that MfC is able to meet its ongoing financial commitments to stakeholders. Aware of the need to reduce outgoings, the Board has already implemented some fundamental changes such as the cessation of all individual lessons at the end of 2022 and changes to our office space in early 2023. The Board will continue to work with a new administration team to put MfC on a stable financial footing while implementing our strategy. The Board remains vigilant in its duty to monitor the ongoing ability for MfC to remain a going concern for the benefit of members and the broader community.



Sarah Jennett
Treasurer

Music for Canberra Incorporated
A.B.N 52 506 914 615

Financial Statements

For the Year Ended 31 December 2022

Music for Canberra Incorporated

A.B.N 52 506 914 615

Contents

For the Year Ended 31 December 2022

	Page
Financial Statements	
Committee Report	1
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Responsible Persons' Declaration	17
Independent Audit Report	18

Music for Canberra Incorporated

A.B.N 52 506 914 615

Committee's Report

31 December 2022

The committee members present their report on Music for Canberra Incorporated for the financial year ended 31 December 2022.

Committee Members

The names of the committee members who held office during the financial year and at the date of this report are:

Names	Position	Appointed/Resigned
David Harvey	Chair and Secretary	Appointed Chair - 23 February 22 Appointed Secretary - 11 May 19 Resigned Secretary - 23 Feb. 22
Brian Ferreira	Vice Chair	Appointed Vice Chair 21 May 22 Member from 23 February 22
Jane Haycock	Secretary	Appointed 23 February 22
Sarah Jennett	Treasurer	Appointed 4 January 23
Russell Eade	Committee Member	Appointed 11 May 19
Jason Li	Committee Member	Appointed 20 June 22
Gabrielle Trembath	Committee Member	Appointed Aug. 22
Annie Haggart	Committee Member	Appointed 16 Jan 23
Dhuse Manogram	Former Committee Member	22 April 21 to 31 March 22
Nicole Webb	Former Committee Member	22 April 21 to 1 June 22
Yu-Lan Chan	Former Vice Chair	30 November 20 to 21 May 22
Anna Sarelis	Former Committee Member	19 May 18 to 20 June 22
Ashok Pothan	Former Committee Member	23 February 22 to 23 June 22
	Former Treasurer	20 April 20 to 21 May 22
	Former Committee Member	20 April 20 to 15 July 22
Barbara Campbell	Former Committee Member	8 August 22 to 8 December 22
Samuel Robinson	Former Treasurer	21 May 22 to 10 December 22
Helena Popovic	Former Committee Member	18 August 22 to 15 January 23

Principal activities

The principal activities of Music for Canberra Incorporated during the year ended 31 December 2022 were to provide access to high quality, inspiring, innovative and diverse musical experiences for people of all ages, backgrounds and abilities, particularly in the Australian Capital Territory and surrounding regions.

Significant changes

No significant change in the nature of these activities occurred during the year.

Operating result

The deficit reported in the year to the 31 December 2022 was \$229,323 (2021: \$46,469).

Music for Canberra Incorporated

A.B.N 52 506 914 615

**Committee's Report
31 December 2022**

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of Music for Canberra Incorporated, the results of those operations or the state of affairs of Music for Canberra Incorporated in future financial years.

Signed in accordance with a resolution of the committee members:

Chair: 

Treasurer: 

Dated this28th..... day ofApril..... 2023

Music for Canberra Incorporated

A.B.N 52 506 914 615

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Committee Members of Music for Canberra Incorporated

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF Canberra

PKF Canberra



Anthony J Bandle FCA
Partner

Dated: *2 MAY 2023*

Music for Canberra Incorporated

A.B.N 52 506 914 615

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
INCOME			
Operating revenue	4	479,714	780,995
Grants	4	306,950	317,647
Total Income		786,664	1,098,642
EXPENDITURE			
Accountancy and bookkeeping		67,697	19,706
Advertising and marketing		1,596	6,601
Audit fee		4,500	4,500
Bad debts		-	3,186
Bank fees		7,187	6,326
Depreciation and amortisation		4,616	37,780
Employee benefits		635,222	895,278
Insurance		9,788	9,417
IT expenses		23,039	16,144
Legal and governance fees		31,792	4,390
Loss on disposal of assets		-	3,383
Musical instruments		2,063	2,561
Office rent		39,307	15,895
Other administrative costs		6,688	26,718
Programme expenses		88,639	74,146
Professional fees and consultants		79,610	-
Printing, postage, and stationery		4,210	6,097
Relief tutors		10,033	12,983
Total Expenditure		1,015,987	1,145,111
Surplus/Deficit before income tax		(229,323)	(46,469)
Income tax expense		-	-
Surplus/Deficit for the year		(229,323)	(46,469)
Total comprehensive income/loss for the year		(229,323)	(46,469)

The accompanying notes form part of these financial statements.

Music for Canberra Incorporated

A.B.N 52 506 914 615

**Statement of Financial Position
As of 31 December 2022**

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	321,108	607,323
Trade and other receivables	6	17,285	6,709
Other assets	7	12,032	19,503
TOTAL CURRENT ASSETS		350,425	633,535
NON-CURRENT ASSETS			
Property, plant and equipment	8	13,772	14,978
Intangible assets	9	4,084	5,542
TOTAL NON-CURRENT ASSETS		17,856	20,520
TOTAL ASSETS		368,281	654,055
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	48,399	50,203
Other liabilities	11	19,922	40,458
Employee benefits	12	18,600	51,427
TOTAL CURRENT LIABILITIES		86,921	142,088
NON-CURRENT LIABILITIES			
Employee benefits	12	-	1,284
TOTAL NON-CURRENT LIABILITIES		-	1,284
TOTAL LIABILITIES		86,921	143,372
NET ASSETS		281,360	510,683
EQUITY			
Retained earnings		281,360	510,683
TOTAL EQUITY		281,360	510,683

The accompanying notes form part of these financial statements.

Music for Canberra Incorporated

A.B.N 52 506 914 615

**Statement of Changes in Equity
For the Year Ended 31 December 2022**

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2022	510,683	510,683
Surplus/ deficit for the year	(229,323)	(229,323)
Balance at 31 December 2022	281,360	281,360

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2021	557,152	557,152
Surplus/ deficit for the year	(46,469)	(46,469)
Balance at 31 December 2021	510,683	510,683

The accompanying notes form part of these financial statements.

Music for Canberra Incorporated

A.B.N 52 506 914 615

**Statement of Cash Flows
For the Year Ended 31 December 2022**

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	790,556	1,196,319
Interest received	1,882	1,226
Payments to suppliers and employees	<u>(1,076,701)</u>	<u>(1,144,021)</u>
Net cash provided by/(used in) operating activities	<u>(284,263)</u>	<u>53,524</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(1,952)</u>	-
Net cash provided by/(used in) investing activities	<u>(1,952)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	-	<u>(38,251)</u>
	-	<u>(38,251)</u>
Net increase/(decrease) in cash and cash equivalents held	<u>(286,215)</u>	15,273
Cash and cash equivalents at beginning of year	<u>607,323</u>	<u>592,050</u>
Cash and cash equivalents at end of financial year	5 <u>321,108</u>	<u>607,323</u>

The accompanying notes form part of these financial statements.

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

The financial report covers Music for Canberra Incorporated as an individual entity. Music for Canberra Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Music for Canberra Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expenses recognised that are recoverable.

Grant revenue

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.

(b) Income Tax

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

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the revaluation model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's 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
Plant and Equipment	15% - 33.33%

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.

(f) 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).

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(f) Financial instruments

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

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

Amortised cost

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, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

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
- debt investments measured at FVOCI

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:

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

- 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.

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 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.

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, bank and other loans and lease liabilities.

(g) 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.

(h) Employee benefits

Provision is made for the Association's liability for employee benefits, those 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 expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(i) Economic dependence

As detailed in Note 4, the ACT Government provides over 90% of the Association's grant revenue. At the date of this report the Committee Members have no reason to believe that the ACT Government will not continue to support Music for Canberra Incorporated.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, 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

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

4 Revenue and Other Income

Operating Revenue

	2022	2021
	\$	\$
Participation and workshops	437,499	682,497
Covid support	-	40,000
Membership fees	17,100	19,235
Box Office	19,333	15,699
Insurance	-	12,500
Donations	2,198	6,671
Audition fees	1,702	3,238
Interest	1,882	1,155
	<u>479,714</u>	<u>780,995</u>

Grants

ACT Arts Fund	295,283	289,487
ACT 1-Day Grant Fund	5,000	-
ACT Winter Event Fund 2021	-	10,660
Llewellyn Hall	-	10,000
Snow Foundation	6,667	7,500
	<u>306,950</u>	<u>317,647</u>

Total 786,664 1,098,642

5 Cash and Cash Equivalents

Cash on hand	-	159
Cash at bank	116,361	353,698
Term deposits	204,747	253,466
	<u>321,108</u>	<u>607,323</u>

The association invested surplus funds in term deposits to maximize interest income on these funds.

6 Trade and Other Receivables

Current		
Trade receivables	5,932	6,709
Other receivables	11,353	-
	<u>17,285</u>	<u>6,709</u>

Music for Canberra Incorporated

A.B.N 52 506 914 615

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

7 Other Assets	2022	2021
Current	\$	\$
Prepayments	12,032	19,349
Accrued income	-	154
	<u>12,032</u>	<u>19,503</u>

8 Property, plant and equipment		
Plant and equipment	\$	\$
At cost	40,312	38,360
Accumulated depreciation	(26,540)	(23,382)
Total property, plant and equipment	<u>13,772</u>	<u>14,978</u>

(a) Movements in Carrying Amounts

Movement in the carrying amount of plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Year ended 31 December 2022		
Balance at the beginning of year	14,978	14,978
Additions	1,952	1,952
Depreciation expense	(3,158)	(3,158)
Balance at the end of the year	<u>13,772</u>	<u>13,772</u>

9 Intangible assets	2022	2021
Website Development	\$	\$
At cost	8,750	8,750
Accumulated depreciation	(4,666)	(3,208)
Total intangible assets	<u>4,084</u>	<u>5,542</u>

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

10 Trade and Other Payables

	2022	2021
	\$	\$
Current liabilities		
Trade payables	19,569	1,664
Sundry creditors	14,723	5,328
Accruals	7,690	12,532
Superannuation	2,045	24,550
PAYG Withholding	4,372	6,129
	<u>48,399</u>	<u>50,203</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.

11 Other Liabilities

Current liabilities		
Income in advance	7,422	33,458
Provision for legal fees	12,500	7,000
	<u>19,922</u>	<u>40,458</u>

12 Employee Benefits

Current liabilities		
Provision for annual leave	9,186	16,584
Provision for long service leave	9,414	34,843
	<u>18,600</u>	<u>51,427</u>
Non-Current		
Provision for long service leave	-	1,284

13 Financial Risk Management

The association's financial instruments consist of deposits with banks and accounts receivable. The total of each category of financial instruments, measured in accordance with AASB 9: Financial Instruments, as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash and cash equivalent – Note 5	321,108	607,323
Trade and other receivables – Note 6	17,285	6,709
	<u>338,393</u>	<u>614,032</u>

Financial liabilities

Trade and other payables – Note 10	48,399	50,203
	<u>48,399</u>	<u>50,203</u>

Music for Canberra Incorporated

A.B.N 52 506 914 615

Notes to the Financial Statements For the Year Ended 31 December 2022

14 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association was \$126,000 (2021: \$120,000).

15 Auditors' Remuneration

Auditing or reviewing the financial statement	\$4,500	\$4,500
	\$4,500	\$4,500

16 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 31 December 2022. (31 December 2021:None).

17 Related Parties

The members of the committee are related parties of the Association. The committee members received no remuneration for their services in the current or previous year.

18 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may 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 Statutory Information

The principal place of business of the association is:
Music for Canberra Incorporated
Ainslie Arts Centre
Elouera Street
Braddon ACT 2612

Music for Canberra Incorporated

A.B.N 52 506 914 615

Responsible Persons' Declaration

The responsible persons declare that, in accordance with a resolution of the governing committee, 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*.

Chair



Treasurer



Dated

28th April 2023

Music for Canberra Incorporated

Independent Auditor's 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 ("the Registered Entity"), which comprises the statement of financial position as at 31 December 2022, 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 (the Registered Entity) 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 the Registered Entity's financial position as at 31 December 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures 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 the Registered Entity 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 (including Independence Standards)* (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.

Other Information

The committee members are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 31 December 2022, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities 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 responsible persons are responsible for assessing the Registered Entity'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 responsible entities either intends to liquidate the Registered Entity or to cease operations, or has no realistic alternative but to do so.

Music for Canberra Incorporated

Independent Auditor's Report to the Members of Music for Canberra Incorporated

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.

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 the Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Entity'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 the Registered Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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.

PKF Canberra

PKF Canberra



Anthony J Bandle FCA
Partner

Dated: *2 MAY 2023*

MUSIC *f*OR CANBERRA

www.musicforcanberra.org.au

(02) 6182 0030

Ainslie Arts Centre

30 Elouera Street

Braddon ACT 2612

ABN: 52 506 914 615

info@musicforcanberra.org.au