

PERTH THEATRE TRUST

Annual Report 2019-2020



Perth Theatre Trust

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His Majesty's Theatre

825 Hay Street
Perth WA 6000
Ph: (08) 9265 0900
www.hismajestystheatre.com.au

Perth Concert Hall

5 St Georges Terrace
Perth WA 6000
Ph: (08) 9231 9900
www.perthconcerthall.com.au

State Theatre Centre of Western Australia

174 -176 William Street
Perth WA 6000
Ph: (08) 6212 9200
Fax: (08) 6212 9207
www.statetheatrecentrewa.com.au

Subiaco Arts Centre

180 Hamersley Road
Subiaco WA 6008
Ph: (08) 9382 3000
www.subiacoartscentre.com.au

Albany Entertainment Centre

2 Toll Place (off Princess Royal Drive)
Albany WA 6330
Ph: (08) 9844 5000
www.albanyentertainment.com.au

Perth Cultural Centre

James St
Northbridge WA 6003
Ph: (08) 9427 3365
www.perthculturalcentre.com.au

Goldfield Arts Centre

35 Cheetham Street
Kalgoorlie WA 6430
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www.goldfieldsartscentre.com.au

Contents

Statement of Compliance	3
Executive Summary	4
Chairman's Report	5
General Manager's Report	6
Perth Theatre Trust Results at a Glance	7
Highlights	8
Overview of the Agency	12
Vision	13
Mission	13
Agency Profile	13
Enabling Legislation	13
Other Key Legislation Impacting on Perth Theatre Trust's Activities	13
Board of Trustees	14
Senior Officers	16
Organisational Chart	17
Agency Performance	18
Events with Perth Theatre Trust Support	19
Partnerships with Perth Theatre Trust	21
Performance Diversity	21
Venue Management Reports	22
His Majesty's Theatre	22
State Theatre Centre of WA	24
Subiaco Arts Centre	26
Albany Entertainment Centre	28
Perth Concert Hall	30
Goldfields Arts Centre	32
Perth Cultural Centre	34
Auditor General's Opinion	35
Disclosures and Legal Compliance	40
Certification of Performance Indicators	41

Performance Management Framework	42
Outcome Based Management Framework	42
Summary of Key Performance Indicators	43
Ministerial Directives	44
Other Financial Disclosures	44
Governance Disclosures	44
Unauthorised Use of Credit Cards	44
Board And Committee Remuneration	45
Other Legal Requirements	46
Expenditure on Advertising, Market Research, Polling And Direct Mail	46
Disability Access and Inclusion Plan Outcomes	47
Compliance with Public Sector Standards and Ethical Codes	47
Recordkeeping Plans	48
Freedom of Information	48
Government Policy Requirements	48
Substantive Equality	48
Occupational Safety, Health and Injury Management	48
Financial Statements	51
Certification of Financial Statements	52
Statement of Comprehensive Income	53
Statement of Financial Position	54
Statement of Changes in Equity	55
Statement of Cash Flows	56
Summary of Consolidated Account Appropriations	57
Index of Notes to the Financial Statements	58
Notes to the Financial Statements	59

Statement of Compliance

For the year ended 30 June 2020

In accordance with section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Perth Theatre Trust for the reporting period ended 30 June 2020.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Morgan Solomon
Chair of Perth Theatre Trust

Executive Summary

Chairman's report

Perth Theatre Trust's (PTT) mission is to offer wide-ranging arts experiences in well-managed venues. The remarkable circumstances of the COVID-19 crisis this year have seen the Trust carry out this mission with heightened care for our venues and for our audiences.

Bangarra: 30 Years of Sixty-Five Thousand by one of our favourite companies, Bangarra Dance Theatre, sold out completely, a testament to the appreciation of Perth audiences for outstanding Australian dance.

PTT presented seasons of *Hair – The Musical* and *Circus Oz's Precarious* together attracted over 11,000 patrons to His Majesty's Theatre across 17 performances. We thank the energetic and talented artists who made these wonderful arts experiences possible.

Other hits included Bell Shakespeare's *Much Ado About Nothing*, the 2019 *Downstairs at the Maj* series, the ever-popular *Morning Melodies* series and the children's show *Roald Dahl's Revolting Rhymes & Dirty Beasts* by Shake & Stir Theatre Co, demonstrating the richness of our programming for all audiences.

In 2020 Albany Entertainment Centre launched its *Tenth Anniversary Program*, in celebration of this milestone. While the party was interrupted in March, Albany relaunched in June with the *Harbourside Concert Series*. We are very excited to welcome people back into all our venues and look forward to celebrating the 10th anniversary of the State Theatre Centre of WA next year.

Perth Cultural Centre (PCC) is undergoing an exciting revitalisation ahead of the opening of the New Western Australian Museum at the end of 2020. This important work is being overseen by a new taskforce which will liaise with the community and stakeholders to ensure a coordinated approach. This will enable PCC to become a tourism hub for Western Australia's rich cultural diversity.

PTT wishes to thank our civic partners the City of Perth, City of Albany, City of Subiaco and City of Kalgoorlie-Boulder, which own, manage and fund several of our venues. We are ever grateful for your continued support.

The planned transition of PTT's venue operating services was reset to later in 2020 due to the disruption caused by COVID-19. This allows for greater economic certainty and a pathway to full operations, allowing these changes to our management and operating models to take place in optimal conditions for the benefit of the Western Australian performing arts sector and general public.

PTT was last year recognised as one of the 2018-19 best practice entities by the Office of the Auditor General, an achievement which acknowledges the performance of the Trust across a number of financial management criteria. For this success and others throughout the year, I warmly congratulate General Manager Duncan Ord, the Corporate Services team, and all the talented and dedicated PTT staff for their ongoing hard work and professionalism.

Finally, I thank our ever-enthusiastic Board for their expertise, leadership and steadfastness in unpredictable times. I welcome new ex-officio member Glen Kar, who joined in August 2019 and acknowledge Colin Walker who served from May 2016 – August 2019. I thank Colin sincerely for his contribution to the Board and wish him well in his new role at the Art Gallery of Western Australia.

Mr Morgan Solomon
Chairman

General Manager's report

While the past year has been an extraordinary one for us all, PTT has managed the challenges and the successes with dedication and professionalism.

In response to the unprecedented COVID-19 crisis, PTT marketing and ticketing services handled nearly 100 show cancellations or postponements under enormous pressure, with refunds issued effectively and efficiently. Furthermore, Albany Entertainment Centre was one of the first live performance venues to reopen in Australia, made possible by an easing of COVID-19 restrictions and measures taken to ensure audience safety.

Despite this huge and ongoing disruption, there have been many superb performances in our venues, with highly successful Perth Festival and Fringe World seasons once again taking over our venues in the summer. Black Swan State Theatre Company's production of the beloved Western Australian work *Cloudstreet* in the 2019 Perth Festival was a critical and audience favourite and marked the reopening of His Majesty's Theatre following Stage Two refurbishment of this cultural treasure.

Works completed in this upgrade included the remodelling of the box office, with counters at different heights for improved accessibility and a new entrance on the corner of Hay and King Streets. We opened an elegant new street-level cafe named Crew & King, referencing both its past and its relationship to the Theatre.

Upgrades to the orchestra pit have made it a safer work environment and ensure better sound quality for audiences.

The Museum of Performing Arts (MOPA) spaces have been transformed into a cosy bar and foyer space that will continue to showcase some of the beautiful items from the MOPA collection.

New partnerships have been forged this year, with Perth Festival and West Australian Museum joining the Perth Tessitura Consortium, bringing the total number of consortium members to nine. This unified customer relationship management system represents an important asset for the arts sector in Western Australia.

In further support for the sector, PTT and the Western Australian Academy of Performing Arts (WAAPA) commenced a three-year partnership which will give WAAPA access to His Majesty's Theatre, State Theatre Centre of WA, Subiaco Arts Centre and Albany Entertainment Centre for training and performance, and will build future capacity for PTT.

Following an extensive Expression of Interest process for the development of the Sunset Heritage Precinct in Dalkeith, the Minderoo Foundation was announced as the preferred proponent. From their base at Sunset, Minderoo plan to refurbish all the buildings on-site and to activate the area in keeping with the Sunset Heritage Precinct Transformation Strategy.

All of this was made possible by the hard work and resilience of our wonderful staff and I thank them all for their efforts in a time of uncertainty. I would also like to thank the PTT Board for their leadership and support over the past year.

Mr Duncan Ord OAM
General Manager

Perth Theatre Trust results at a glance

Operating Expenditure: \$24.57 million

Revenue: \$7.45 million

Funding from State Government: \$14.76 million

Total number of performances or events at Trust venues in 2019/20: 900

Performance attendance: 375,521

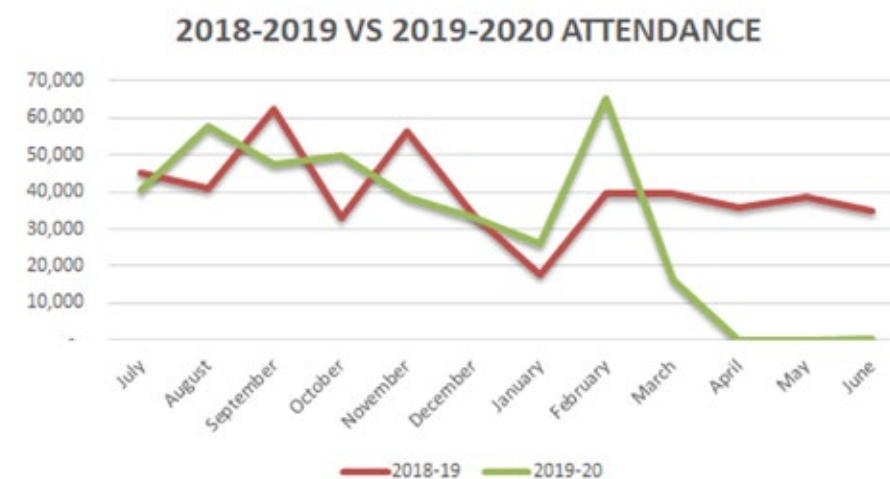
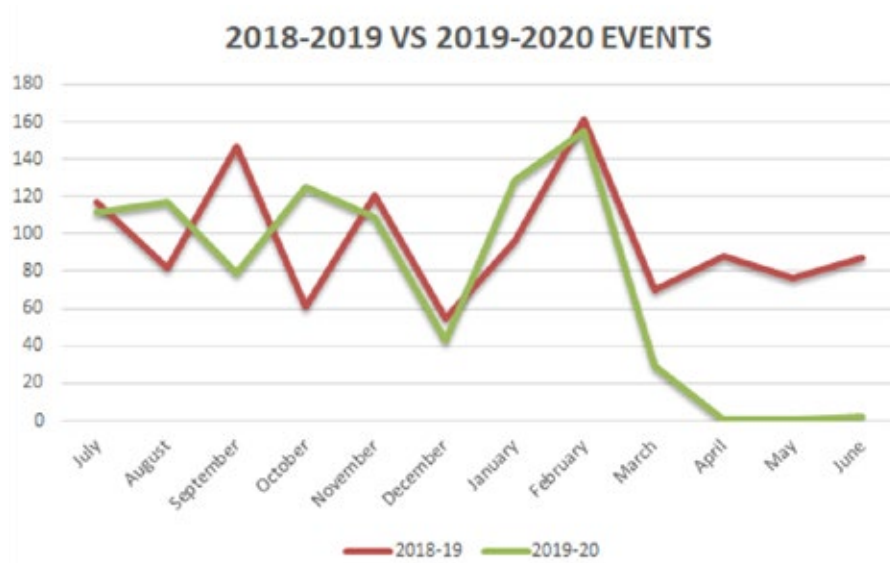
Events: 1,124

Event attendance: 80,598

PTT supported events: 109

Attendances at PTT supported events: 39,342

Total Attendances: 456,119



Highlights

His Majesty's Theatre (HMT)

- \$6.5 million was invested in upgrades to the hospitality areas and orchestra pit.
- The Museum of Performing Arts (MOPA) launched a new website, providing greater accessibility to the collection of more than 46,000 catalogued items of theatre memorabilia. This site was a collaboration between Department of Local Government, Sport and Cultural Industries (DLGSC), Telstra Purple and PTT.
- *Downstairs at The Maj* Cabaret season attracted more than 2,000 patrons across 23 events in the intimate cabaret venue. The community *Morning Melodies* series was once again a huge success with a revitalised program breaking box office records over three concerts.

State Theatre Centre of WA (STCWA)

- The Courtyard was the stage for *Hofesh in the Yard* by STRUT Dance, an extended two-week season during Perth Festival. The venue stayed open after the performance, with a bar and music, supported by PTT.
- To better support the performances of Barking Gecko Theatre and Black Swan State Theatre of WA Company's *Fully Sikh* venue staff undertook cultural training.
- During COVID-19 the venue focused on working with resident companies and local artists, providing supported rehearsal and development in the venue, including in performance spaces.
- STCWA participated in NAIDOC Week 2019 celebrations including working with a First Nations host, choir and a venue smoking ceremony.

Subiaco Arts Centre (SAC)

- Subilicious Fringe World hub saw a 60% increase on last year for both attendance and total performances. In 2019 total performances were 32 with an attendance of 3,777 across four venues, this year total performances were 73 with an attendance of 6,043 across five venues. New sponsorship for the event included RAC and Archie Rose.
- Yirra Yaakin Theatre Company's *Hecate*, Australia's first large-scale Shakespeare production entirely in Noongar language, had a sold-out season during Perth Festival. Alongside the performances was *Hecate Kambarnap*, a unique gathering space in the gardens of the SAC to celebrate Noongar culture.

Albany Entertainment Centre (AEC)

- AEC programmed, printed and distributed 15,000 copies of the *Tenth Anniversary Program* which included over 60 events across 2020, 10 foyer exhibitions and a children's workshop program.
- Introduced AEC annual membership program, with members receiving priority and discounts on tickets and discounts on food and beverage purchases. More than 50 memberships were sold in the first two months.

Perth Concert Hall (PCH)

- Perth Festival filled the venue with nine shows in the main auditorium in February and March with a 96% average capacity as part of Perth Festival. A major highlight was the new festival hub - the Chevron Lighthouse - which sold more than 13,000 tickets and created an amazing vibrancy across the whole precinct.
- The *Massed Choir Festival* ran in September 2019 with more than 10,500 tickets sold. This uplifting community event saw more than 4,500 children from public schools participating in choir performances.
- *TEDx Perth* in September sold 1,800 tickets and has now grown to the second largest TEDx in the country.
- Musica Viva presented the world-famous Choir of King's College Cambridge. Founded by King Henry VI in 1441, this children's choir is one of the finest exemplars of the English choral tradition.

Goldfields Arts Centre (GAC)

- Presented a special performance with renowned Australian classical guitarists the Grigoryan Brothers, in partnership with Perth Festival. The performance provided evidence of demand for more intimate performance offerings and the activation of new spaces in the GAC.
- Presented Opera Australia's national regional touring production of *Madama Butterfly* incorporating a children's chorus of local high school students and offering a post-show meet and greet for the extensive cast and audience.
- Participating gallery in the National Photographic Portrait Prize 2019. The 39 photos in the exhibition were selected from more than 3,000 entries to form the National Portrait Gallery's exhibition.
- Produced and presented *Our People's Collection: Highlights Exhibition* featuring selected works from the City of Kalgoorlie-Boulder's art collection. The exhibition included rarely seen works from Dr Pantjiti Mary McLean, Brian McKay and Kathleen O'Connor.

Perth Cultural Centre (PCC)

- Partnership with City of Perth to deliver key activations in line with their annual campaigns.
- Mentoring partnership with North Metropolitan TAFE to provide volunteer and work experience opportunities in the PCC precinct which are aligned to student outcomes.
- Ongoing revitalisation of the precinct with construction of the New Western Australian Museum scheduled to open in November 2020.
- Investment of \$2 million in maintenance of public realm.

Marketing & Ticketing

- A refresh of the PTT website was delivered in early 2020, including a cosmetic website update and enhancement of its digital marketing functionality and Search Engine Optimisation status.
- Planned and executed the marketing strategy for the launch and ongoing operations of Crew & King at His Majesty's Theatre from May 2020 onwards.
- Responding to the unprecedented COVID-19 crisis, the marketing and ticketing teams established new processes and procedures to process show cancellations and refunds effectively and efficiently, in tight timeframes.
- Agreements were put in place to enable PTT to sell WA Opera subscription tickets for non-PTT venues including Winthrop Hall and the Regal Theatre.
- The *Classic Essentials* cross-company ticket package was launched, including shows from four resident companies, a key outcome of the shared Tessitura platform.



Overview of the Agency

Vision

Is to have vibrant, full theatres

Mission

Is to offer wide-ranging arts experiences in well-managed venues

Agency profile

PTT is responsible for the care, control, management, maintenance, operation and improvement of theatres under its control.

The venues currently managed by the Trust are:

- His Majesty's Theatre (Government owned)
- State Theatre Centre of Western Australia (Government owned)
- Subiaco Arts Centre (leased from the City of Subiaco)
- Albany Entertainment Centre (Government owned).
- Perth Cultural Centre public realm

PTT holds the lease for the Perth Concert Hall (leased from the City of Perth and managed by WA Venues and Events Ltd) and leases the Goldfields Arts Centre to the City of Kalgoorlie-Boulder.

In 2018 Cabinet approved the transfer of the Sunset Heritage Precinct to the Minister for Culture and the Arts. The site is set aside for arts, cultural, community and ancillary commercial uses, overseen by PTT.

Enabling legislation

PTT is a statutory authority established and constituted under the *Perth Theatre Trust Act 1979*

Responsible Minister

The Hon. David Templeman MLA

Minister for Culture and the Arts, Local Government

Other key legislation impacting on Perth Theatre Trust's activities

In the performance of its functions, PTT complies with the following relevant written laws:

- *Auditor General Act 2006*
- *Contaminated Sites Act 2003*
- *Disability Services Act 1993*
- *Equal Opportunity Act 1984*
- *Financial Management Act 2006*
- *Freedom of Information Act 1992*
- *Industrial Relations Act 1979*
- *Minimum Conditions of Employment Act 1993*
- *Occupational Safety and Health Act 1984*
- *Public Sector Management Act 1994*
- *Salaries and Allowances Act 1975*
- *State Records Act 2000*
- *State Supply Commission Act 1991*

Board of Trustees

Role and operations

The Board consists of eight members appointed by the Governor under Section 5 of the *Perth Theatre Trust Act 1979*. Of these eight members, four are nominated by the Minister for Culture and the Arts, three are nominated by the City of Perth and an ex-officio position is held by the Director General of DLGSC.

As the Director General is operating in the dual role of General Manager, the ex-officio position is filled by the Executive Director, Corporate Services DLGSC.

Board meetings are held every two months with an Audit and Finance Committee which meets quarterly and a Risk and Governance Committee which meets three times a year.

Morgan Solomon, Chair (Appointed January 2013)

Founding Director at Perth law firm Solomon Hollett Lawyers, Morgan Solomon is a nationally recognised and awarded lawyer who specialises in succession law.

A third-generation West Australian lawyer, Morgan also takes an active role in the State's cultural community having obtained an honours degree in fine art before his studies in law. Morgan is a Founding Member of the WA Chamber of Culture and the Arts, sits on the Board of the Prostate Cancer Foundation and is a former Board member of FORM and past Chair of Law Australasia.

Morgan was appointed Chair of the Trust in January 2016.

Nadia van Dommelen (Appointed January 2018)

Nadia is a professionally qualified civil engineer with 25 years of industry experience focused in project direction of social and economic infrastructure projects. Through her independent consultancy she provides infrastructure advisory and project management services for clients with complex and large-scale infrastructure asset portfolios and asset needs.

During her career Nadia has had the privilege of undertaking key roles on some of Perth's most complex and transformative infrastructure projects, including WESTPORT, METRONET, Optus Stadium (PPP), WA Schools (PPP), Midland Health Campus (PPP), Fiona Stanley Hospital and the WA CBD Courts (PPP). Together with her enthusiasm and personal passion for culture and the arts, she brings her knowledge of asset planning, development and management to the PTT portfolio.

Nadia is also member of the PTT Audit and Finance Committee, the Consultative Committee for 'Project Management, Management Information Systems and Supply Chain & Logistics Management' at the School of Business and Law at Edith Cowan University, and the National Development Committee and the WA Fundraising Committee for HeartKids Australia.

Julian Donaldson (Appointed April 2016)

Julian Donaldson is Chief Executive Officer of the National Trust of Western Australia and has significant leadership experience gained in a career spanning the commercial and arts sectors. He is committed to the National Trust's mission to connect Western Australian communities to the value of their diverse natural and cultural heritage.

Mr Donaldson led the Perth International Arts Festival over a decade before joining the National Trust in 2016. He retains his involvement in the arts through membership of the boards of PTT and Perth Symphony Orchestra.

Tanya Sim
(Appointed December 2016)

Tanya Sim is co-founder and Director of strategic brand consultancy, Block Branding. Block works across a range of sectors, from large, global companies to WA based start-ups, to help them shift their business and create business not as usual. Block has a strong history and passion for working with WA-based arts organisations including PIAF, FORM, Black Swan State Theatre Company, WritingWA, State Theatre Centre, and The Lester Prize. Prior to establishing Block 18 years ago, Tanya worked in the US and UK, as an interior architect and project manager on multinational projects.

She is currently secretary for Borderless Friendship WA and was past Chair of the Highgate Primary School Board and past committee member for the Mark Howlett Foundation.

Michelle Tremain
(Appointed August 2014)

Michelle Tremain is PwC Perth's Market Managing Partner and also leads the firm's national Indirect Tax team.

Michelle is widely recognised for her innovative thinking and insight in providing specialised indirect tax consultancy services to a wide range of clients throughout Western Australia.

With over 25 years' experience in the local market, Michelle is highly respected across the business community and she has led the PwC Perth GST team for the last 16 years.

Colin Walker - Ex Officio
(May 2016 - August 2019)

Colin Walker is the Director of the Art Gallery of Western Australia, prior to which he was Executive Director of Culture and the Arts WA, DLGSC.

Colin was Director, Arts & Business in the UK and consultant to the UK National Endowment for Science, Technology and the Arts (NESTA) for its Fellowship and Cultural Leadership programs. He has acted as an arts sponsorship consultant to a range of international brands and many of the most recognisable arts institutions in the UK.

Andrew Hammond
(Appointed January 2019)

Andrew Hammond is currently the Chair Commissioner for the City of Perth. He previously held the position as Chief Executive Officer of the City of Rockingham after 10 years in the role. Andrew has significant senior experience in Local Government having held CEO positions in Albany, Wyndham, East Kimberley and Nannup.

He holds an Executive Master of Business in Administration from the University of Western Australia and is a Fellow of Local Government Managers Australia, the Australian Institute of Management and a graduate of the Australian Institute of Company Directors.

Gaye McMath
(Appointed October 2018)

Gaye McMath has over 20 years board experience in a broad range of organisations. Her current board roles include Gold Corporation, Southern Ports Authority, Power and Water Corporation NT, Indigenous Essential Services Pty Ltd, Business Events Perth, Study Perth, the Chamber of Arts and Culture WA and The Perth Public Arts Foundation. Gaye is Deputy Chair Commissioner at the City of Perth.

Gaye McMath's executive career included senior strategic and operational roles over a 23-year career in resources and 15 years in higher education.

Gaye holds a Bachelor of Commerce from Melbourne University, a Masters of Business Administration from Melbourne Business School and has completed the Advanced Management Program at the Harvard Business School. She is a fellow of CPA Australian and the Australian Institute of Company Directors.

Glen Kar - Ex Officio
(Appointed August 2019)

Glen has undertaken a wide range of roles in his 30-year career in State Government. At the Department of Housing he worked across Corporate Development, review and reform, Intergovernmental Relations and Housing Policy. As the Executive Director Corporate Services at the Department of Aboriginal Affairs he successfully rolled out of Shared Services, developed new business intelligence tools and implemented an electronic document and records management solution. His current role is as the Executive Director Corporate Services, DLGSC.

Senior Officers

General Manager

Mr Duncan Ord OAM

Director, Venue Operations

Mr Glenn Hall BBus, AVM

Director, Corporate Services

Mr Panganayi Machukera CPA, FCCA

Director, Place Management

Mr Paolo Amaranti

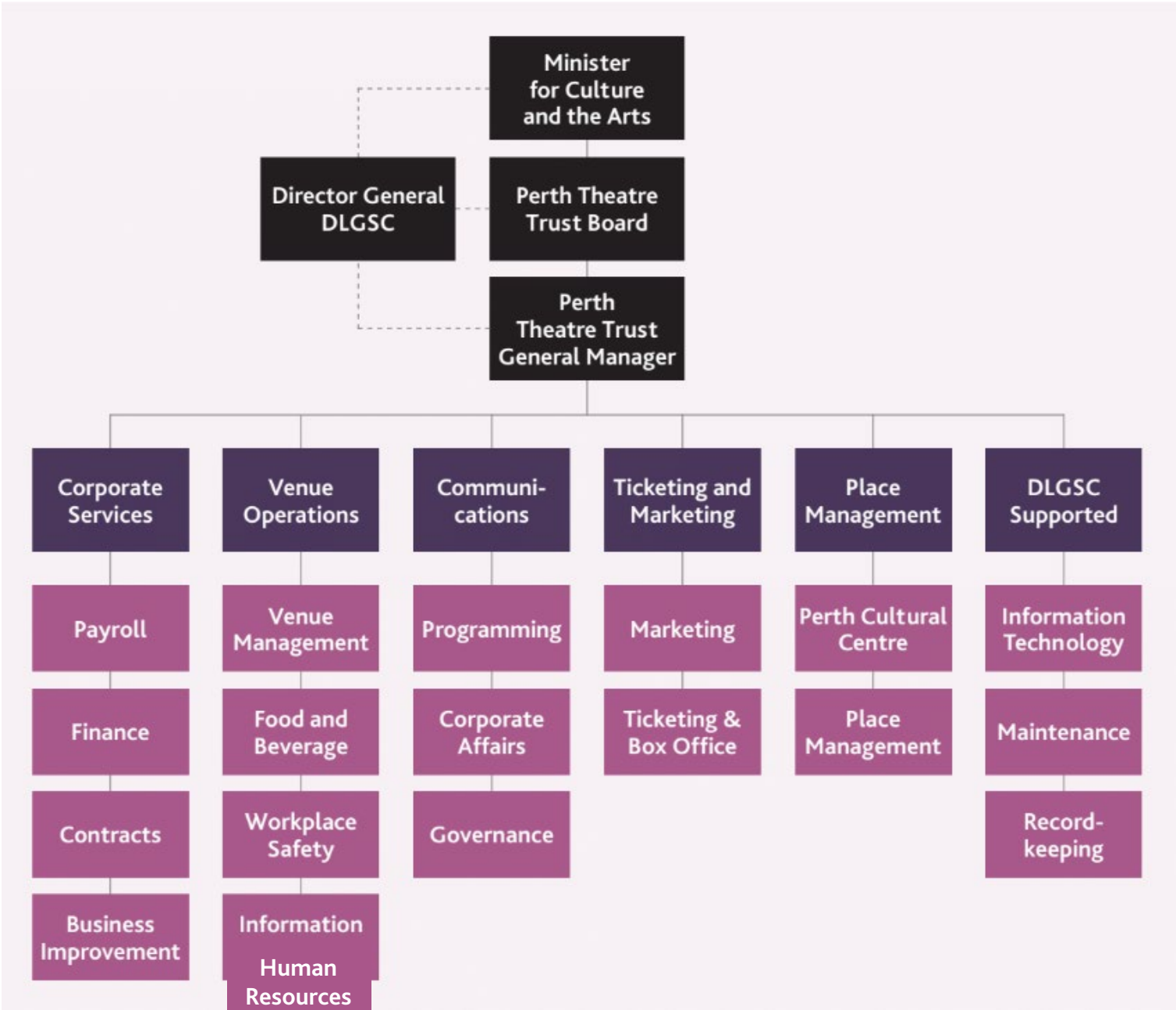
Manager, Communications and Programming

Ms Shauna Weeks BA Eng.

Manager, Ticketing and Marketing

Ms Nancy Hackett MBA, Dip. Kffr, GAICD

Organisational Chart



Agency Performance

Events with Perth Theatre Trust support

Event/Show	Producer	Performances	Attendance
Albany Entertainment Centre			
My Robot	Barking Gecko Theatre	1	180
Spencer	Lab Kelpie	1	165
Roald Dahl's Revolting Rhymes & Dirty Beasts	Shake & Stir Theatre Co.	1	342
The Sapphires	HIT Productions	1	208
Boys In The Band	Jukebox Revolution	1	307
Much Ado About Nothing	Bell Shakespeare	1	417
Madama Butterfly	Opera Australia	1	558
Isaiah Live and Beyond	Albany Entertainment Centre	1	202
Sunday Spring Recital	Albany Entertainment Centre	1	133
Yamato - The Drummers of Japan	Albany Entertainment Centre	1	465
The Irresistible	The Last Great Hunt	1	232
'Alasdair Fraser and Natalie Haas Live in Concert'	Albany Entertainment Centre	1	69
The Twits	Spare Parts Puppet Theatre	1	415
Charlie McCarthy Jane Morris Gypsy Jazz Quartet	Albany Entertainment Centre	1	156
Comedy Gold	Albany Entertainment Centre	1	139
A Night Out	Albany Entertainment Centre	1	68
Mamma Mia The Concert - The Ten Sopranos	Albany Entertainment Centre	1	277
WaistWatchers the Musical	HIT Productions	1	165
Dean Ray - Simple Things	Albany Entertainment Centre	1	65
The Company with Andrew Winton	Albany Entertainment Centre	1	60
Albany Arts Festival	Albany Entertainment Centre	10	2012
AEC Harbourside Concert Series 2019	Albany Entertainment Centre	8	741

Events with Perth Theatre Trust support

Event/Show	Producer		Attendance
His Majesty's Theatre			
He's Every Woman	His Majesty's Theatre	3	285
Trevor Jones - Under the Milky Way	His Majesty's Theatre	3	336
Precarious	Circus Oz	6	4,142
HAIR the Musical	David M. Hawkins, Sydney OperaHouse, HOTA, PTT and GPAC in association with The Art House, Wyong and Illawarra Performing Arts Centre	12	7,716
Michael Griffith - By Request	His Majesty's Theatre	4	537
What's New Pussycat	His Majesty's Theatre	3	399
Carlotta Queen of the Cross	His Majesty's Theatre	4	530
It's a Wonderful Life	His Majesty's Theatre	4	307
A Festival Jamboree	Perth Cabaret Collective and His Majesty's Theatre	3	397
Morning Melodies 2019	His Majesty's Theatre	3	1,767
State Theatre Centre of WA			
30 Years of Sixty-Five Thousand	Bangarra Dance Theatre	5	2,833
Much Ado About Nothing	Bell Shakespeare	6	3,016
Roald Dahl's Revolting Rhymes & Dirty Beasts	Shake and Stir Theatre Co.	6	5,491
Stand Up for Comedy	Perth Theatre Trust	1	535
Courtyard Club 2019	State Theatre Centre of WA and RTRFM	8	2,931
Shivoham	Confluence with Perth Theatre Trust	1	89
Sandhya	Confluence with Perth Theatre Trust	1	152
And Then Some	Strut Dance, Co3 Australia and State Theatre Centre of WA	4	503
TOTAL		115	39,342

Partnerships with Perth Theatre Trust

In 2019-2020 PTT partnered with West Australian Opera, Performing Arts Perspectives, Perth Festival, DADAA, NAIDOC Week and CircuitWest.

Performance Diversity

	2019 - 2020 Performances	2019 -2020 %	2018-2019 Performances	2018-2019 %
Ballet/Dance	103	12%	124	11%
Children's/Family	117	13%	178	15%
Classical Music	64	7%	97	8%
Circus and Physical Theatre	9	1%	3	0%
Comedy	44	5%	69	6%
Non-Classical Music	93	10%	132	11%
Theatre	236	26%	301	26%
Musical Theatre	87	10%	39	3%
Opera	13	1%	11	1%
Special Events/Other	68	8%	84	7%
Festivals (Multi-category)	9	1%	106	9%
Festivals (Single-category)	57	6%	17	1%
TOTAL	900	100%	1,161	100%

Notes to the performance diversity charts

Performance diversity captures any event that was recognised as a performance - in line with Live Performance Australia's annual *Ticketing Attendance and Revenue Survey*.

Venue Management Reports

His Majesty's Theatre

Listed as a State Heritage Icon, His Majesty's Theatre is a 1,253-seat theatre, with seating arranged in a horseshoe shape. The auditorium features a proscenium arch, a flat stage and an orchestra pit that can be raised for seating if required. Downstairs at the Maj seats 144 in cabaret mode.

Performance	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	99	77,921	119	98,733
Downstairs at the Maj	78	8,904	143	11,887
Dress Circle & Other	21	728	10	568
Studio Spaces	-	-	18	772
TOTAL	198	87,553	290	111,960

Other Usage	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	11	515	11	1,008
Downstairs at the Maj	-	-	0	0
Dress Circle & Other	-	-	0	0
Studio Spaces	1	66	0	0
TOTAL	12	581	11	1,008

Annual visitors figures to His Majesty's Theatre foyer and other spaces:

Museum of Performing Arts (MOPA) was closed from July 2019 onwards to facilitate renovations. Friends of the Theatre venue tours: Three tours with a total of 235 visitors. This reduction from previous years was due to foyer renovations.

Performance Diversity

Main Auditorium	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	39	36,818	76%
Children's/Family	0	0	0%
Classical Music	0	0	0%
Circus and Physical Theatre	6	4,142	56%
Comedy	0	0	0%
Non-Classical Music	2	1,901	77%
Theatre	17	9,686	46%
Musical Theatre	24	15,188	51%
Opera	11	10,186	75%
Special Events/Other	0	0	0%
Festivals (Multi-category)	0	0	0%
Festivals (Single-category)	0	0	0%
TOTAL	99	77,921	63%



State Theatre Centre of WA

The State Theatre Centre opened in 2011 and features the 577-seat Heath Ledger Theatre, the 250-seat flexible Studio Underground and 200-seat Rehearsal Room Downstairs. Also included in the Centre is The Courtyard- a multi-purpose outdoor events space, two rehearsal rooms and two flexible-use private suites.

Performance	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Heath Ledger Theatre	146	63,808	297	113,675
Studio Underground	116	21,156	125	20,313
Courtyard	26	6,247	24	3,951
Rehearsal Rooms + others	82	1,952	44	3,532
TOTAL	370	93,163	490	141,471

Other Usage	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Heath Ledger Theatre	31	7,350	31	5,865
Studio Underground	30	999	52	5,139
Courtyard	45	3,058	27	6,607
Rehearsal Rooms + others	114	4,396	37	1,068
TOTAL	220	15,803	147	18,679

Performance Diversity

Heath Ledger Theatre	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	25	10,993	76%
Children's/Family	58	23,137	69%
Classical Music	1	268	47%
Circus and Physical Theatre	0	0	0%
Comedy	13	6,978	93%
Non-Classical Music	3	1,439	83%
Theatre	29	14,436	87%
Musical Theatre	0	0	0%
Opera	0	0	0%
Special Events/Other	12	6,142	89%
Festivals (Multi-category)	0	0	0%
Festivals (Single-category)	5	415	14%
TOTAL	146	63,808	76%



Subiaco Arts Centre

Subiaco Arts Centre, set in the stunning Theatre Gardens, boasts two dedicated performance areas including the Main Auditorium with a corner stage and raked seating on three sides for 305 and the Studio, with an intimate performance area seating 119.

Performance	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	83	13,405	55	13,250
The Studio	31	2,857	49	3,560
Community Spaces	-	-	2	40
TOTAL	114	16,262	106	16,850

Other Usage	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	8	1,168	12	2,232
The Studio	10	387	55	1,174
Community Spaces	112	5,883	117	9,103
TOTAL	130	7,438	184	12,509

Performance Diversity

Main Auditorium	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	0	0	0%
Children's/Family	11	2,647	79%
Classical Music	0	0	0%
Circus and Physical Theatre	0	0	0%
Comedy	10	934	31%
Non-Classical Music	1	195	64%
Theatre	43	7,590	58%
Musical Theatre	4	537	44%
Opera	0	0	0%
Special Events/Other	14	1,502	35%
Festivals (Multi-category)	0	0	0%
Festivals (Single-category)	0	0	0%
TOTAL	83	13,405	53%



Albany Entertainment Centre

The centrepiece of the Albany Entertainment Centre is the Princess Royal Theatre, a magnificent 618 seat proscenium arch theatre. The stalls seat 480, and the circle 140. The Kalyenup Studio is a flexible space accommodating up to 220 people. The Hanover Room function space can seat up to 20 people or accommodate up to 60 people standing.

Performance	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Princess Royal Theatre	32	11,473	59	19,857
Kalyenup Studio	20	1,754	31	2,334
Harbourside Foyers and Hanover Room	4	353	11	633
TOTAL	56	13,580	101	22,824

Other Usage	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Princess Royal Theatre	28	9,526	6	1,365
Kalyenup Studio	19	1,950	29	2,541
Harbourside Foyers and Hanover Room	13	559	12	913
TOTAL	60	12,035	47	4,819

Performance Diversity

Princess Royal Theatre	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	4	1,743	71%
Children's/Family	4	1,402	57%
Classical Music	2	961	78%
Circus and Physical Theatre	1	257	42%
Comedy	3	1,222	66%
Non-Classical Music	12	4,143	56%
Theatre	3	814	44%
Musical Theatre	2	373	30%
Opera	1	558	90%
Special Events/Other	0	0	0%
Festivals (Multi-category)	0	0	0%
Festivals (Single-category)	0	0	0%
TOTAL	32	11,473	58%



Perth Concert Hall

Perth Concert Hall is renowned for having one of the finest acoustics in the southern hemisphere. The main auditorium has a total capacity of 1,731 plus 160 choir stall seats. The capacity is made up of 354 seats in the Upper Gallery, 260 in the Lower Gallery and 1,117 in the Stalls. Wardle Room seats up to 330 guests.

Performances	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	112	138,747	150	176,789
Wardle Room	4	894	5	1,205
Balcony/Verandah/Forecourt	15	16,839	0	0
Foyer and Other Spaces	-	-	2	200
TOTAL	131	156,480	157	178,194

Other Usage	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	3	3,146	0	0
Wardle Room	10	872	13	1,267
Balcony/Verandah/Forecourt	20	1,418	6	2,814
Foyers	45	3,330	85	4,893
TOTAL	78	8,766	104	8,974

Performance Diversity

Main Auditorium	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	1	583	178
Children's/Family	4	3,778	55%
Classical Music	53	63,541	69%
Circus and Physical Theatre	0	0	0%
Comedy	0	0	0%
Non-Classical Music	17	20,975	71%
Theatre	0	0	0%
Musical Theatre	1	1,656	96%
Opera	0	0	0%
Special Events/Other	27	35,035	75%
Festivals (Multi-category)	9	13,179	85%
Festivals (Single-category)	0	0	0%
TOTAL	112	138,747	72%

Goldfields Arts Centre

Goldfields Arts Centre is the only multi-functional arts venue in the Goldfields region and one of only three A-Class Art Galleries in regional Western Australia. It is comprised of a 700-seat theatre, Gallery, Foyer, Dance Studio, Function Room, Ensemble Room, Bar, Box Office, and 7 small meeting rooms.

Performance	2019 - 2020		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	27	8,240	17	6,416
Ensemble Room	-	-	0	0
Gallery	-	-	0	0
Foyers and other	4	243	0	0
TOTAL	31	8,483	17	6,416

Other Usage	2019 - 2020*		2018 - 2019	
	Events	Attendance	Events	Attendance
Main Auditorium	6	1,230	-	-
Ensemble Room	224	3,304	-	-
Gallery	13	3,046	11	2,458
Foyers and other	381	28,395	1	100
TOTAL	624	35,975	12	2,558

*In 2019-20 Goldfields Art Centre figures include gallery visitation and use by community groups

Performance Diversity

Main Auditorium	2019-20 Performances	2019-20 Total Attendance	% Capacity
Ballet/Dance	10	2,637	43%
Children's/Family	6	2,683	72%
Classical Music	0	0	0%
Circus and Physical Theatre	0	0	0%
Comedy	2	805	65%
Non-Classical Music	4	1,296	52%
Theatre	0	0	0%
Musical Theatre	0	0	0%
Opera	1	278	45%
Special Events/Other	3	399	22%
Festivals (Multi-category)	0	0	0%
Festivals (Single-category)	1	142	23%
TOTAL	27	8,240	49%

Perth Cultural Centre

The Perth Cultural Centre (PCC) is a state and municipal heritage-listed precinct that functions as one of Perth's primary visitor destinations, attracting an average of 4,500,000 visitors each year, including local, interstate and international tourists.

Located between the Central Business District and Northbridge, and bound by Roe, Aberdeen, Beaufort and William Streets, the PCC is home to the State's most significant cultural and learning institutions including:

- Art Gallery of Western Australia
- Western Australian Museum
- State Library of Western Australia
- State Records Office
- Perth Institute of Contemporary Arts
- Blue Room Theatre
- State Theatre Centre of Western Australia
- North Metropolitan TAFE (Perth Campus)

PTT is responsible for the management and activation of the PCC public realm.

Events for 2019-2020 and Visitation Estimates*

Visitation for the year was estimated at 2,189,476.

Fifteen events and attractions were held in the space across the year.

Major Events:

- Fringe World Festival - 220,000 visitors
- Awesome Festival - 165,000 visitors
- Christmas Light Trail - 370,000 visitors
- Chinese New Year - 9,000 visitors
- Disrupted Festival of Ideas - 5,000 visitors

*Estimates based on Wi-Fi statistics

Auditor General's Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PERTH THEATRE TRUST

Report on the financial statements

Opinion

I have audited the financial statements of the Perth Theatre Trust which comprise the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and Summary of Consolidated Account Appropriations for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Perth Theatre Trust for the year ended 30 June 2020 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of my report. I am independent of the Trust in accordance with the *Auditor General Act 2006* and the relevant 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 my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of the Trustee for the financial statements

The Trustee is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the 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 Western Australian Government has made policy or funding decisions affecting the continued existence of the Trust.

Auditor's responsibility for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 statements.

Page 1 of 4

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A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Perth Theatre Trust. The controls exercised by the Trust are those policies and procedures established by the Trustee to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Perth Theatre Trust are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2020.

The Trustee's responsibilities

The Trustee is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Perth Theatre Trust for the year ended 30 June 2020. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Perth Theatre Trust are relevant and appropriate to assist users to assess the agency's performance and fairly represent indicated performance for the year ended 30 June 2020.

The Trustee's responsibility for the key performance indicators

The Trustee is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Trust determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Trustee is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My independence and quality control relating to the reports on controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the Perth Theatre Trust for the year ended 30 June 2020 included on the Trust's website. The Trust's management is responsible for the integrity of the Trust's website. This audit does not provide assurance on the integrity of the Trust's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version of the financial statements and key performance indicators.



DON CUNNINGHAME
ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT
Delegate of the Auditor General for Western Australia
Perth, Western Australia
10 September 2020

Disclosures and legal compliance

Certification of Performance Indicators

For the year ended 30 June 2020

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Perth Theatre Trust performance, and fairly represent the performance of the Perth Theatre Trust for the financial year ended 30 June 2020.



Chairman of Perth Theatre Trust

Thursday, September 10, 2020



Member of Perth Theatre Trust

Thursday, September 10, 2020

Performance Management Framework

PTT contributes to the achievement of the Government Goal:

Better Places: A quality environment with liveable and affordable communities and vibrant regions.

PTT is a statutory authority within the DLGSC Portfolio and is shown under Venue Management Services in the 2019-2020 Budget Papers.

The Key Performance Indicators of PTT have been developed in accordance with *Treasurers Instruction 904* to evaluate the Trust's performance in achieving the Government Desired Outcome and to provide an overview of the critical and material aspects of service provision.

Outcome Based Management Framework

PTT venue management services contribute to Government Desired Outcome:

Effectively managed performing art venues attracting optimal utilisation.

PTT's provision of theatres and programming events provides the community with access to cultural experiences and the opportunity to enhance the cultural and economic life of WA.

Report On Operations

Actual results versus budget targets

Financial Targets	2019-20 Budget	2019-20 Actual	Variance From Budget	
	\$000	\$000	\$000	%
Total Cost of Services (as per Income Statement)	19,729	24,569	4,840 ²	25%
Net Cost of Services (as per Income Statement)	11,499	17,113	5,614 ¹	49%
Total Equity (As per Statement of Financial Position)	154,430	155,095	665	0%
Approved Salary Expense Limit	8,447	8,605	158	2%
Approved Working Cash Limit	852	2,460	1608 ²	189%

1. The increase in both the total cost of services and the net cost of services was s mainly attributable to the building revaluation decrease of \$3.4 million that was charged to the income statement.

2. The higher cash balance relates was mainly due to supplementary funding provided during the last week of the financial year to cover for the lost revenue due to venue closures as a result of the COVID-19 pandemic.

Summary of Key Performance Indicators

The Key Effectiveness Indicators and Key Efficiency Indicators of PTT measure the ability of the Trust to increase activity within the venues it manages, providing clearer information to those evaluating performance.

These Indicators align with the outcome statement and measure whether the local performance industry is building capacity.

Key Effectiveness Indicators

Key Effectiveness Indicator	2018/19 Actual	2019/20 Budget	2019/20 Actual	Notes and Explanation of Variances above 10%
OUTCOME 11: Effectively managed performing arts venues attracting optimal utilisation				
Attendance rate across principal performance spaces	477,715	470,000	394,928	The decrease in the actual attendance figures for 2019-20 was mainly due to the closure of all Perth Theatre Trust venues due to the COVID-19 pandemic.

Key Efficiency Indicators

Key Efficiency Indicator	2018/19 Actual	2018/19 Budget	2018/19 Actual	Notes and explanation of variances above 10%
SERVICE 11: Venue Management Services				
Average cost per attendee	\$45	\$42	\$62	The increase in the average cost per attendee in 2019-20 was mainly due to the much lower attendance numbers and an increase in the total cost of services. The increase in the total cost of service was mainly due to a significant increase in the revaluation decrease for land and buildings charged to the income statement in 2019-20.
Average subsidy per attendee for PTT funded programs	\$0.21	\$3.00	\$5.00	The increase in the subsidy per attendee was mainly due to much lower than budget attendance and revenue figures for HAIR at His Majesty's Theatre

Ministerial directives

No Ministerial directives were received during the financial year.

Other financial disclosures

Pricing policies on services

In accordance with *Treasurer's Instruction 810*, the Trust has discretion to charge for goods and services subject to Ministerial approval.

Governance disclosures

Conflicts of interest

Declared Conflicts of Interest recorded on minutes (as per standing agenda item – Section 1, Item 1.3) 15 August 2019, 10 October 2019, 5 December 2019, 20 February 2020, 9 April 2020, 4 June 2020.

This reflects the Board's agreement that the City of Perth Commissioners have an ongoing noted interest in the Perth Concert Hall.

Employee information as at 30 June 2020

67 fixed term and permanent staff

- 61.39 FTE
- 271 Casuals
- 16.58 FTE

Unauthorised use of credit cards

Officers of PTT hold corporate credit cards where their functions warrant usage of this facility. Each cardholder is reminded of their obligations annually under the Trust's credit card policy, however four employees inadvertently utilised the corporate credit card for an unofficial purpose. The matter was not referred for disciplinary action as the Chief Finance Officer noted prompt advice and settlement of the personal use amount, and, that the nature of the expenditure was immaterial and characteristic of an honest mistake.

- Aggregate amount of personal use expenditure for the reporting period: \$155.57
- Aggregate amount of personal use expenditure settled within 1 working days: \$22.23
- Aggregate amount of personal use expenditure settled within 2 working days: \$12.35
- Aggregate amount of personal use expenditure settled within 4 working days: \$28.09
- Aggregate amount of personal use expenditure settled within 12 working days: \$92.90
- Aggregate amount of personal use expenditure outstanding at balance date: NIL

Board and committee remuneration

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration for all meetings attended
Chair	Morgan Solomon	Per meeting	Jan 2013 - present (Chair Jan 2016 on)	\$5,840
Member	Nadia van Dommelen	Per meeting	Jan 2018 - present	\$3,660
Member	Andrew Hammond	Per meeting	Jan 2019 - present	\$1,230
Member	Julian Donaldson	Nil	April 2016 - present	-
Member	Gaye McMath	Per meeting	Oct 2018 - present	\$4,080
Member	Tanya Sim	Per meeting	December 2016 - present	\$3,470
Member	Michelle Tremain	Per meeting	Aug 2014 - present	\$3,220
Member ex officio	Colin Walker	Nil	April 2016 – August 2019	-
Member ex officio	Glen Kar	Nil	August 2019 - Present	-
Total				\$21,500



Other legal requirements

Expenditure on advertising, market research, polling and direct mail

In accordance with section 175ZE of the *Electoral Act 1907*, the agency incurred the following expenditure in advertising, market research, polling, direct mail and media advertising.

Total expenditure for 2019-20 is \$220,184.92

Expenditure	Total	Account	Total
Media Advertising Agencies	\$125,241.08	Carat Australia Media Services Pty Ltd	\$125,241.08
Advertising	\$74,933.58	Albany Chamber of Commerce and Industry	\$697.25
		Amanda Edwin Cruse T/A Greybird Media	\$4,984.50
		Australia's South West Incorporated	\$1,003.00
		Barry Montague Purcell	\$90.00
		Beaconwood Holdings P/L T/A The Great Southern Weekender	\$27,792.60
		Bunbury Regional Entertainment Centre	\$905.63
		Denmark Bulletin	\$350.00
		Gnomedia Pty Ltd T/A The Voice of The South	\$140.00
		R Appleby & N Levy T/A Seesaw Magazine	\$270.00
		Shire of Carnarvon	\$1,100.00
		The Judith Treby Family Trust T/A Have A Go News	\$176.00
		The Trustee for the Craig & Christina Dayman Family Trust & The Trustee for Willox Carlyle Family Trust T/A Albany Signs	\$858.00
		Tickets Pty Ltd	\$7,753.41
		Wayne Michael Harrington T/A Waddyadoin Media	\$5,610.00
		Dubsat Pty Ltd	\$165.00
		Wagener Holdings Pty Ltd T/A All Flags Signs and Banners	\$343.20
		Au* Seek	\$313.50
		Facebook	\$22,381.49
Direct Mailing	\$4,958.41	Isentia Pty Ltd	\$3,993.00
		Message4u Pty Ltd T/A Message Media	\$965.41
Market Research Organisations	\$15,051.85	Pop Inc T/A Wordfly	\$14,667.85
		Survey Monkey	\$384.00
Polling Organisations	Nil		Nil

Disability Access and Inclusion

Plan outcomes

PTT are committed to ensuring that people with disability, their families and carers have the same opportunities to access its arts and cultural services, information and facilities as other people.

The PTT Disability Access and Inclusion Plan 2018 – 2022 (DAIP) has continued to build awareness within the staff of both the DAIP and the needs of people living with disability in our community. The DAIP is now being included in online staff induction information.

In line with this Plan some new initiatives in 2019-20 in PTT venues include:

- Two universal access bathrooms were installed as part of His Majesty's Theatre Stage 2 renovation project. Works also included the remodelling of the box office, with counters at different heights for improved accessibility.
- Perth Concert Hall now has two 'quiet rooms' where people can go if they are attending a performance and start to feel overwhelmed or need a breathing space.
- In partnership with Perth Festival PTT trialled improvements to ticketing accessibility across our online channels.

Compliance with public sector standards and ethical codes

PTT is committed to educating its workforce in the Public Sector Standards in Human Resource Management and the Public Sector Code of Ethics. In the 2019-2020 financial year, PTT recorded:

Breaches in Public Sector Standards in Human Resource Management.

- Nil

Breaches in Public Sector Code of Ethics or the Department of Local Government, Sport and Cultural Industries Code of Conduct.

- One

Incidences of misconduct requiring investigation.

- Nil

Public Interest Disclosures lodged.

- Nil

Recordkeeping Plans

- The PTT Recordkeeping Plan was approved by the State Records Commission in March 2018.
- SharePoint training for new staff is carried out by ICT.
- Staff induction and recordkeeping training are under review.
- The Recordkeeping Plan is accessible via the staff intranet.
- PTT is in the process of reviewing and evaluating Retention and Disposal Schedules in line with recommendations from the State Records Office.

Freedom of Information

Under Schedule 2 of the *Regulations of the Freedom of Information Act 1992* DLGSC co-ordinates Freedom of Information requests for its portfolio agencies including the PTT. As prescribed in Section 96 of the Act, PTT publishes an up-to-date information page confirming their commitment to the right of all Western Australians to have access to government information for whatever reason they wish. The information page is available on PTT's website and gives details on how a person can apply for access to PTT's documents.

Government policy requirements

Substantive Equality

PTT is committed to the elimination of systemic discrimination, particularly of a racial, cultural and religious nature, from its policies, practices and services. A Substantive Equality Policy covers the DLGSC Culture and Arts Portfolio and PTT continues to monitor its activities according to this policy.

A Substantive Equality Reference Committee made up of representatives from each Portfolio agency meets on a needs basis to discuss strategies and policies. A presentation of Substantive Equality forms part of the staff induction program and the policy is available electronically to employees through the intranet.

PTT remains committed to the Substantive Equality Policy.

Occupational safety, health and injury management

PTT is committed to empowering its staff, contractors, patrons and visitors to feel valued and constructively engaged. This includes the promotion of a safety and health culture that enables an informed and supported environment.

The creation of a three-year strategic plan has provided an overall strategy and guidance framework across each aspect of workplace health and safety management.

Supporting systems are aligned with the requirements stipulated within the *Occupational Safety and Health Act 1984*, and the *Workers Compensation and Injury Management Act 1981*.

The Occupational Safety and Health Committee, including the employee representatives, form the key to occupational safety and health consultation within Perth Theatre Trust. The members are accessible and utilised by both management and employees in the discussion and resolution of occupational safety and health issues.

The Occupational Safety and Health Committee meets every two months to discuss and resolve occupational safety and health issues, review hazard and incident reports, and review progress against the Occupational Safety and Health Strategy.

PTT has a documented injury management system in accordance with the *Workers' Compensation and Injury Management Act 1981* (the Act) which is available to employees through the online SCRIM system. Return to work programs are developed in accordance with the Act.

PTT's Safety Management System utilises WorkSafe Plan elements and Australian Standard AS/NZS 4801:2001 to guide continuous improvement in:

	Indicators	Action Areas	% complete in 2019-20
Management Committee	8	25	35%
Planning	8	24	33%
Consultation & Reporting	6	16	44%
Hazard Management	6	21	33%
Training & Supervision	5	19	36%

DLGSC staff have continued to provide assistance regarding work-related injury and corrective action implementation across all venue operating environments.

Throughout 2020 the COVID-19 pandemic has severely disrupted day-to-day business operations, although PTT's aim in achieving a zero-harm workplace will continue with a focus on:

- Improved consultation processes
- Ongoing review of policy commitment and appropriate resource allocation

- Co-ordinated risk identification, assessment and control implementation across all publicly assessable and operational areas
- Ensuring liaison with external subject matter experts is promoted and continually endorsed
- Training is prioritised and appropriate time allocated
- Continual monitoring of health and safety reference material and updates (legislation and industry standards)

The following initiatives were delivered in the 2019 - 20 reporting period:

- Business continuity planning updates implemented with training conducted
- Transition of staff venue inductions to online format.
- The delivery of a three-year workplace safety and health strategy.

Measure	Actual Results			Results Against Target	
	2017-2018	2018-2019	2019-2020	Target	Comment on result
Number of Fatalities	nil	nil	nil	0	Target met
Lost time injury and disease incidence rate	1.428	nil	3.921	0 or 10% reduction in incidence rate over three years	Target not met
Lost time injury and disease severity rate	nil	nil	nil	0 or 10% reduction in severity rate over three years	Target Met
Percentage of injured workers returned work: (i) Within 13 weeks	100%	nil	100%	Greater than or equal to 80%	Target Met
(ii) Within 26 weeks	100%	nil	100%	Greater than or equal to 80%	Target Met
Percentage of managers trained in occupational safety, health and injury management responsibilities, including refresher training within 3 years	47.5%	7.69%	67% ¹	Greater than or equal to 80%	Target Not Met

[1] Changes have been made to the calculation in 2019-20 to include training which may have been undertaken in previous years but is still accredited. This was not calculated in 2018-19.

Financial Statements

Certification of Financial Statements

For the year ended 30 June 2020

The accompanying financial statements of Perth Theatre Trust have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2020 and the financial position as at 30 June 2020.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



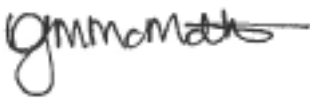
Chief Finance Officer

Thursday, September 10, 2020



Chairman of Perth Theatre Trust

Thursday, September 10, 2020



Member of Perth Theatre Trust

Thursday, September 10, 2020

Statement of Comprehensive Income

For the year ended 30 June 2020

	Note	2020 \$000	2019 \$000
Cost of services			
Expenses			
Employee benefits expense	3.1	9,627	9,036
Supplies and services	3.2	3,668	3,200
Depreciation and amortisation expense	5.1, 5.2	2,899	2,813
Revaluation decrement on land and buildings	5.1	3,386	1,414
Finance cost	7.3	1	0
Accommodation expenses	3.3	3,500	3,856
Cost of sales	4.3	305	212
Grants and subsidies	3.4	568	540
Other expenses	3.5	615	393
Total cost of services		24,569	21,464
 Revenue and income			
User charges and fees	4.2	5,361	6,389
Sales	4.3	1,021	707
Sponsorship	4.4	367	441
Interest revenue	4.5	22	57
Other revenue	4.6	685	742
Total revenue		7,456	8,336
 Total income other than income from State Government		7,456	8,336
NET COST OF SERVICES		17,113	13,128
 Income from State Government	4.1		
Service appropriation		11,637	9,187
State grants and subsidies		1,563	198
Assets transferred / (assumed)		0	355
Services received free of charge		1,061	2,167
Royalties for Regions Fund		500	464
Total income from State Government		14,761	12,371
SURPLUS / (DEFICIT) FOR THE PERIOD		(2,352)	(757)
 OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit and loss			
Changes in asset revaluation surplus		0	(1,716)
Total other comprehensive income		0	(1,716)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(2,352)	(2,473)

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2020

	Note	2020 \$000	2019 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	7.1	2,460	1,340
Restricted cash and cash equivalents	7.1	700	2,455
Inventories	4.3	57	24
Receivables	6.1	194	432
Other current assets	6.3	163	1,592
Total Current Assets		3,574	5,843
Non-Current Assets			
Restricted cash and cash equivalents	7.1	84	60
Amounts receivable for services	6.2	42,598	40,126
Property, plant and equipment	5.1	111,072	109,911
Right of use assets	5.2	53	0
Intangible assets	5.3	584	825
Total Non-Current Assets		154,391	150,922
TOTAL ASSETS		157,965	156,765
LIABILITIES			
Payables	6.4	62	229
Funds held in trust	6.6	644	2,172
Lease liabilities	7.2	23	0
Employee related provisions	3.1	948	695
Other current liabilities	6.5	566	1,239
Total Current Liabilities		2,243	4,335
Non Current Liabilities			
Employee related provisions	3.1	596	451
Lease liabilities	7.2	31	0
Total Non Current Liabilities		627	451
TOTAL LIABILITIES		2,870	4,786
NET ASSETS		155,095	151,979
EQUITY			
Contributed equity	9.9	123,924	118,456
Reserves		0	0
Accumulated surplus		31,171	33,523
TOTAL EQUITY		155,095	151,979

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2020

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
Balance at 1 July 2018	9.9	117,166	1,716	34,278	153,162
Total comprehensive income for the period		0	(1,716)	(757)	(2,473)
Transactions with owners in their capacity as owners:					
His Majesty's Theatre Capital Works - Pit Lift		1,273	0	0	1,273
His Majesty's Theatre Seating Project		17	0	0	17
Total		1,290	(1,716)	(757)	(1,183)
Balance at 30 June 2019		118,456	0	33,523	151,979
 Balance at 1 July 2019		 118,456	 0	 33,523	 151,979
Total comprehensive income for the period		0	0	(2,352)	(2,352)
Transactions with owners in their capacity as owners:					
His Majesty's Theatre Capital Works - Pit Lift		1,662	0	0	1,662
His Majesty's Theatre Capital - Front of House		3,806	0	0	3,806
Total		5,468	0	(2,352)	3,116
Balance at 30 June 2020		123,924	0	31,171	155,095

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020 \$000	2019 \$000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		9,165	6,612
State grants and subsidies		(7)	469
Capital contributions		0	165
Holding account drawdowns		0	0
Royalties for Regions Fund		500	464
27th Ppay holding account movement		24	23
Net cash provided by State Government		9,682	7,733
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Payments from trust fund		(8,269)	(10,597)
Employee benefits		(9,136)	(8,983)
Supplies and services		(3,024)	(3,290)
Finance cost		(1)	0
Accommodation		(2,533)	(1,890)
Grants and subsidies		(608)	(750)
GST payments on purchases		(660)	(729)
GST payments to taxation authority		(266)	(471)
Other payments		(1,051)	(370)
Receipts			
Receipts into trust fund		6,534	10,254
User charges and fees		5,691	6,479
Sale of goods and services		1,021	707
Sponsorship		367	441
Interest received		22	71
GST receipts on sales		886	857
GST receipts from taxation authority		27	106
Other receipts		952	150
Net cash provided by/(used in) operating activities		(10,048)	(8,015)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(223)	(284)
Net cash provided by/(used in) investing activities		(223)	(284)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(22)	0
Net cash provided by/(used in) financing activities		(23)	(0)
Net increase / (decrease) in cash and cash equivalents		(611)	(566)
Cash and cash equivalents at the beginning of the period		3,855	4,421
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		3,244	3,855

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Summary of consolidated account appropriations

For the period ended 30 June 2020

	2020 Budget Estimate (\$000)	2020 Supplementary Funding (\$000)	Revised Budget (\$000)	2020 Actual (\$000)	2020 Variance (\$000)
Delivery of services					
Net amount appropriated to deliver services	9,262	2,450	11,712	11,637	75
Section 25 Transfer of service appropriation	0	0	0	0	0
Amount authorised by other statutes	0	0	0	0	0
-Salaries and Allowances Act 1975	0	0	0	0	0
-Royalties for Regions Fund	500	0	500	500	0
Total appropriations provided to deliver services	9,762	2,450	12,212	12,137	75
Capital					
Capital appropriations	0	0	0	0	0
Administered transactions					
Administered grants, subsidies and other transfer payments	0	0	0	0	0
Total administered transactions	0	0	0	0	0
Grand Total	9,762	2,450	12,212	12,137	75

Index of Notes to the Financial Statements

Notes to the Financial Statements

For the year ended 30 June 2020

1. Basis of preparation

The Perth Theatre Trust is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. Perth Theatre Trust is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the **'Overview'** which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the Perth Theatre Trust on **10 September 2020**.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- 1) The Financial Management Act 2006 (**FMA**)
- 2) The Treasurer's Instructions (**The Instructions or TI**)
- 3) Australian Accounting Standards (**AAS**) Including reduced disclosure requirements
- 4) Where appropriate, those **AAS** paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (The Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

Key judgements to be made for AASB 16 include identifying leases within contracts, determination whether there is reasonable certainty around exercising extension and termination options, identifying whether payments are variable or fixed in substance and determining the stand-alone selling prices for lease and non-lease components. Estimation uncertainty that may arise is the estimation of the lease term, determination of the appropriate discount rate to discount the lease payments and assessing whether the right-of-use asset needs to be impaired.

Contributed equity

AASB Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers

can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners made to Wholly Owned Public Sector Entities and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

2. Perth Theatre Trust outputs

How the Perth Theatre Trust operates

This section includes information regarding the nature of funding the Perth Theatre Trust receives and how this funding is utilised to achieve the Perth Theatre Trust's objectives. This note also provides the distinction between controlled funding and administered funding:

	Note
Perth Theatre Trust objectives	2.1
Detail of Income and Expenses	3
Detail of Assets and Liability	4

2.1 Perth Theatre Trust objectives

Mission

The Perth Theatre Trust's mission is to offer wide-ranging arts experiences in well-managed venues. The Perth Theatre Trust is predominantly funded by Parliamentary appropriations. It also provides ticketing and venue hire services on a fee for service basis. The fees charged are based on market and concessionary rates.

The Perth Theatre Trust is constituted under the Perth Theatre Trust Act 1979. The Perth Theatre Trust is responsible for the care, control, management, maintenance, operation and improvement of theatres under its control.

Services

The Perth Theatre Trust operate under one service called Venue Management Services.

3. Use of our funding

Expenses incurred in the delivery of service

This section provides additional information about how the Perth Theatre Trust's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Perth Theatre Trust in achieving its objectives and the relevant notes are:

	Notes	2020 \$000	2019 \$000
Employee benefits expenses	3.1(a)	9,627	9,036
Employee related provisions	3.1(b)	1,544	1,146
Supplies and services	3.2	3,668	3,200
Accommodation expenses	3.3	3,500	3,856
Grants and subsidies	3.4	568	540
Other expenditure	3.5	615	393

3.1 (a) Employee benefits expenses

	2020 \$000	2019 \$000
Wages and salaries	7,692	7,551
Superannuation - defined contribution plans (a)	534	453
Superannuation - other schemes (a)	274	287
Long service leave	412	195
Annual leave	483	422
Termination benefits	0	0
Other related expenses	232	128
Total employee benefits expenses	9,627	9,036

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Wages and salaries:

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, and leave entitlements.

Termination benefits:

Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Perth Theatre Trust is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Superannuation:

The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBs, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Perth Theatre Trust to GESB extinguishes the Perth Theatre Trust's obligations to the related superannuation liability.

The Perth Theatre Trust does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The Liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer.

All other GSS obligations are funded by concurrent contributions made by the Perth Theatre Trust to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

3.1 (b) Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	2020 \$000	2019 \$000
Current		
Employee benefits provision	421	356
Annual leave (a)	418	251
Long service leave (b)	839	607
Other provisions		
Employment on-costs (c)	109	88
Total current employee related provisions	948	695
Non current		
Employee benefits provision	527	400
Long service leave	527	400
Other provisions		
Employment on-costs (c)	69	51
Total non-current employee related provisions	596	451
Total employee related provisions	1,544	1,146

(a) Annual leave liabilities: Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) Long service leave liabilities:

Unconditional long service leave provisions are classified as current liabilities as Perth Theatre Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Perth Theatre Trust has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave are calculated at present value as the Perth Theatre Trust does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(c) Employment on-costs:

The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred.

Employment on-costs are included as part of 'Other expenses, Note 3.5 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Perth Theatre Trust's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2020 \$000	2019 \$000
Employment on-cost provision		
Carrying amount at start of year	139	107
Additional/(reversals of) provisions recognised	110	92
Payments/other sacrifices of economic benefits	(71)	(60)
Carrying amount at end of year	178	139

Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating the Perth Theatre Trust's long service leave provision. These include:

- Expected future salary rates
- Discount rates
- Employee retention rates; and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

3.2 Supplies and services

	2020	2019
	\$000	\$000
Communications	409	317
Consultants and contractors	39	43
Consumables	212	170
Advertising and promotion	292	359
Programming	850	632
Equipment purchases	177	103
Insurance premiums	295	314
Equipment hire	22	21
Legal fees	33	19
Licences	198	189
Maintenance	497	400
Printing	115	66
Bank and credit card charges	70	82
Temporary staff	24	20
Travel	11	18
Entertainment	7	12
Other	417	435
Total supplies and services expenses	3,668	3,200

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Maintenance Expense include:

- i) Short-term leases with a lease term of 12 months or less;
- ii) Low-value lease with an underlying value of \$5000 or less

3.3 Accommodation expenses

	2020	2019
	\$000	\$000
Repairs and maintenance	1,228	2,082
Rent	5	6
Electricity and gas	886	717
Water	260	219
Cleaning	385	313
Security	448	331
Other	288	188
Total accommodation expenses	3,500	3,856

Operating lease payments are recognised on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. Repairs, maintenance and cleaning costs are recognised as expenses as incurred.

3.4 Grants and Subsidies

	2020	2019
	\$000	\$000
Recurrent		
Perth Concert Hall - Operations	500	500
PICA	68	40
Total Grants and Subsidies	568	540

Transactions in which the Perth Theatre Trust provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools, and community groups.

3.5 Other expenses

	2020	2019
	\$000	\$000
Sponsorship	40	81
Employment on-costs	516	239
Audit fees	56	67
Expected credit losses expense	3	6
Total other expenses	615	393

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Employee on-cost includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 3.1(b) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

From 1 July 2019 expected credit losses are recognised as the movement in the allowance for expected credit losses. The allowance of expected credit losses of receivables are measured at the lifetime expected credit losses at each reporting date.

The Perth Theatre Trust has established a provision matrix on its historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

4 Our funding sources

How we obtain our funding

This section provides additional information about how the Perth Theatre Trust obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Perth Theatre Trust and the relevant notes are:

	Notes	2020 \$000	2019 \$000
Income from State Government	4.1	14,761	12,371
User charges and fees	4.2	5,361	6,389
Sales	4.3	1,021	707
Sponsorship	4.4	367	441
Interest revenue	4.5	22	57
Other revenue	4.6	685	742

4.1 Income from State Government

	2020 \$000	2019 \$000
Appropriation received during the year:	11,637	9,187
Service appropriation (a)	11,637	9,187

State grants and subsidies (b)
Grant payments made by the Department of Local Government Sport and Cultural Industries (DLGSC) for the following projects:

(i) Point of Sale Terminals	0	138
(ii) Hand Held Ticket Scanners	0	60
(iii) HMT Mechanical Services Switchboard upgrade	200	0
(iv) HMT Mobility Compliant Toilets	1,000	0
(v) HMT Distribution Board Upgrade	291	0
(vi) HMT Foyer Paint Services	72	0
	1,563	198
Assets transferred / (assumed) (c)	0	355
- Assets transferred	0	355

Services received free of charge from other State government agencies during the period (d):

(i) Computer equipment	100	25
(ii) Building Maintenance paid by DLGSC	961	2,142
Total Services received	1,061	2,167
Royalties for Regions Fund:		
Albany Entertainment Funding (Regional Community Services Fund)	500	464
Total Royalties for Regions Fund	500	464
Total Income from State Government	14,761	12,371

(a) **Service Appropriations** are recognised as revenues at fair value in the period in which the Perth Theatre Trust gains control of the appropriated funds. The Perth Theatre Trust gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered as set out in the Statement of Comprehensive Income. Appropriation revenue comprises the following:

- Cash component; and
- A receivable (asset).

The receivable (holding account – note 6.2) comprises the following:

- The budgeted depreciation expense for the year; and
- Any agreed increase in leave liabilities during the year.

(b) State grants and subsidies relates to capital works and maintenance projects funded by the DLGSC.

(c) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

(d) **Transfer of assets:** Discretionary transfers of assets (including grants) and liabilities between State government agencies are reported under Income from State Government. Transfers of assets and liabilities in relation to a restructure of administrative arrangements are recognised as distribution to owners by the transferor and contribution by owners by the transferee under AASB 1004. Other non-discretionary non-reciprocal transfers of assets and liabilities designated as contributions by owners under TI 955 are also recognised directly to equity.

The application of AASB 15 and AASB 1058 from 1 July 2019 has had no impact on the treatment of income from State Government.

4.2 User Charges and Fees

	2020	2019
	\$000	\$000
Venue hire and related charges	4,527	5,192
Ticketing fee income (a)	834	1,197
Total	5,361	6,389

Until 30 June 2019, revenue was recognised and measured at the fair value of consideration received or receivable

From 1 July 2019, revenue is recognised at the transaction price when the Perth Theatre Trust transfers control of the services to customers. Revenue is recognised for the major activities as follows:

Revenue is recognised at a point-in-time for Venue Hire and related charges. The performance obligations for these user fees and charges are satisfied when services have been provided i.e when the event is held.

Revenue is recognised at a point-in-time for Ticketing Fee Income. The performance obligations for these user fees and charges are satisfied when services have been provided i.e when the event is held. If the event is cancelled the Perth Theatre Trust is obligated to refund all cash collected from the customers.

4.3 Trading profit

	2020	2019
	\$000	\$000
Sales	1,021	707
Cost of sales:		
Opening inventory	(24)	(22)
Purchases	(338)	(214)
	(362)	(236)
Closing inventory	57	24
Cost of goods sold	(305)	(212)
Trading Profit	716	495

Closing Inventory comprises:

	2020 \$000	2019 \$000
Current inventories		
Raw materials & stores (at cost)	57	24
Work in progress (at cost)	0	0
Finished goods	0	0
At cost	0	0
At net realisable value	0	0
Total current inventories	57	24
Non-current Inventories	0	0
Total non-current inventories	57	24
Total Inventories	57	24

Sales

Up to 30 June 2019, revenue was recognised from the sale of goods when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably

From 1 July 2019, revenue is recognised at the transaction price when the Perth Theatre Trust transfers control of the goods to customers.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory, with the majority being measured on a first in first out basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

4.4 Sponsorship

	2020 \$000	2019 \$000
Sponsorship	367	441
	367	441

Until 30 June 2019

Income from Sponsorship is recognised at fair value when the funds are receivable.

From 1 July 2019

Current Sponsorship is recognised as income when the funds are receivable

4.5 Interest revenue

	2020 \$000	2019 \$000
Bank interest	22	57
	22	57

4.6 Other revenue

	2020 \$000	2019 \$000
Grants and subsidies	459	455
Commission	94	167
Recoup of previous years expenditure	0	8
Other	112	43
Rebates	20	69
	685	742

Until 30 June 2019

All other income was recognised at fair value when the funds are receivable.

From 1 July 2019

Current grants and subsidies are recognised as income when the grants are receivable. Commission is recognised as income when funds are receivable as per the hospitality services agreement. Other is recognised as income when funds are receivable. Other also includes recognition of volunteer services as per AASB 1058. Rebates is recognised as income when funds are receivable.

5. Key assets

Assets the Perth Theatre Trust utilises for economic benefit or service potential

This section includes information regarding the key assets the Perth Theatre Trust utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2020 \$000	2019 \$000
Property, plant and equipment	5.1	111,072	109,911
Right of use assets	5.2	53	0
Intangibles	5.3	584	825
Total key assets		<u>111,709</u>	<u>110,736</u>

5.1(a) Property, plant and equipment

Year ended 30 June 2020	Freehold Land \$000	Buildings \$000	Works in progress \$000	Leasehold improv. \$000	Plant, equipment and vehicles \$000	Works of art \$000	Total \$000
1 July 2019							
Gross carrying amount	15,905	86,726	1,425	5,250	18,371	6	127,683
Accumulated depreciation	0	(4)	0	(3,808)	(13,960)	0	(17,772)
Accumulated impairment loss	0	0	0	0	0	0	0
Carrying amount at start of year	<u>15,905</u>	<u>86,722</u>	<u>1,425</u>	<u>1,442</u>	<u>4,411</u>	<u>6</u>	<u>109,911</u>
Additions	0	1,491	0	0	7,116	0	8,607
Transfers	0	0	(1,425)	0	0	0	(1,425)
Other disposals	0	0	0	0	0	0	0
Revaluation increments / (decrements)	(2)	(3,384)	0	0	0	0	(3,386)
Impairment losses	0	0	0	0	0	0	0
Impairment losses reversed	0	0	0	0	0	0	0
Depreciation	0	(1,329)	0	(205)	(1,101)	0	(2,635)
Carrying amount at end of year	<u>15,903</u>	<u>83,500</u>	<u>0</u>	<u>1,237</u>	<u>10,426</u>	<u>6</u>	<u>111,072</u>

Initial recognition

Items of property, plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Assets transferred as part of a machinery of government change are transferred at their fair value. The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of:

- land; and
- buildings

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2019 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 30 June 2020 and

recognised at 30 June 2020. In undertaking the revaluation, fair value was determined by reference to current use for land: \$15,902,500 (2019: \$15,905,000) and depreciated replacement cost for buildings: \$83,500,000 (2019: \$86,722,000). The revaluation decrement of \$3,387,000 has been recognised in the Statement of Comprehensive Income as there is no balance against the reserves.

Fair value for land and building assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement revaluation model:

(a) Fair Value where market-based evidence is available:

The fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

(b) Fair value in the absence of market-based evidence:

Buildings are specialised or where land is restricted: Fair value of land and buildings is determined on the basis of existing use.

Existing use buildings : Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Where the fair value of buildings is determined on the current replacement cost basis, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

Restricted use land: Fair value is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

5.1.1 Depreciation and impairment

Charge for the period

	2020	2019
	\$000	\$000
Depreciation		
Buildings	1,329	1,370
Leasehold improvements	205	207
Plant, equipment and vehicles	1,101	997
Total depreciation for the period	2,635	2,574

As at 30 June 2020 there were no indications of impairment to property, plant and equipment.

Please refer to note 5.3 for guidance in relation to the impairment assessment that has been performed for intangible assets.

Finite useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include assets held for sale, land and investment properties.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Assets	Useful life: years
Buildings	66 years
Air conditioning upgrades	4 to 25 years

Leasehold improvements	3 to 40 years
Communication equipment	4 to 10 years
Computer hardware	3 to 4 years
Furniture, fixtures and fittings	4 to 20 years
Plant and equipment	3 to 25 years
Office equipment	5 to 10 years
Other equipment	4 to 20 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As Perth Theatre Trust is a not-for-profit agency, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

5.2 Right-of-use assets

	2020 \$000	2019 \$000
Right-of-use assets		
Plant & equipment	36	0
Vehicles	17	0
Net carrying amount at 30 June 2020	53	0

Initial recognition

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset

This includes all leased assets other than investment property ROU assets, which are measured in accordance with AASB 140 'Investment Property'.

The Perth Theatre Trust has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of \$5,000 or less). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Perth Theatre Trust at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 5.1.1

The following amounts relating to leases have been recognised in the statement of comprehensive income:

	2020 \$000	2019 \$000
Plant & Equipment	16	0
Vehicles	7	0
Total right-of-use asset depreciation	23	0
Lease interest expense (included in Finance cost)	1	0
Expenses relating to variable lease	0	0
Payments not included in lease liabilities (included in administrative expenses)	0	0
Short-term leases (included in Supplies & Services)	4	0
Low-value leases	23	0
Income from subleasing right-of-use assets	0	0
Gains or losses arising from sale and leaseback transactions	0	0
The total cash outflow for leases in 2020 was	22	0

The Perth Theatre Trust's leasing activities and how these are accounted for:

The Perth Theatre Trust has leases for vehicles, office equipment and buildings.

Up to 30 June 2019, the Perth Theatre Trust classified leases as either finance leases or operating leases. From 1 July 2019, the Perth Theatre Trust recognises leases as right-of-use assets and associated lease liabilities in the

Statement of Financial Position.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 7.2

5.3 Intangible Assets

Year ended 30 June 2020

	Licences	Computer Software	Total
		\$000	\$000
1 July 2019			
Gross carrying amount	0	2,141	2,141
Accumulated amortisation	0	(1,316)	(1,316)
Accumulated impairment losses	0	0	0
Carrying amount at start of period	0	825	825
Additions	0	0	0
Classified as held for sale	0	0	0
Transfers	0	0	0
Impairment losses	0	0	0
Impairment losses reversed	0	0	0
Amortisation expense	0	(241)	(241)
Carrying amount at 30 June 2020	0	584	584

Initial recognition

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more that comply with the recognition criteria as per AASB 138.57 (as noted below), are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

5.3.1 Amortisation and impairment

Charge for the period

	2020	2019
	\$000	\$000
Computer software	241	(241)
	241	584

As at 30 June 2020 there were no indications of impairment to intangible assets.

The Perth Theatre Trust held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Amortisation of finite life intangible assets is calculated on a straight line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by the Perth Theatre Trust have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Licences	up to 10 years
Development Costs	3 to 5 years
Software (a)	3 to 5 years
Website Costs	3 to 5 years

(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment annually or when an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in note 5.1.1.

6. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Perth Theatre Trust's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	Computer Software \$000	Total \$000
Receivables	6.1	194	432
Amount receivable for services	6.2	42,598	40,126
Other current assets	6.3	163	1,592
Payables	6.4	62	229
Other liabilities	6.5	566	1,239
Funds held in trust	6.6	644	2,172

6.1 Receivables

	2020 \$000	2019 \$000
Current		
Receivables	154	415
Allowance for impairment of receivables	(5)	(13)
GST receivable	45	30
Total current	194	432

Trade receivables are recognised at original invoice amount less any allowance for uncollectible amounts (i.e. impairment). The carrying amount of net receivable is equivalent to fair value as it is due for settlement within 30 days.

6.2 Amounts receivable for services

	2020 \$000	2019 \$000
Non-current	42,598	40,126
	42,598	40,126

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Perth Theatre Trust receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

Amounts receivable for services are considered not impaired (i.e there is no expected credit loss of the Holding Account)

6.3 Other assets

	2020 \$000	2019 \$000
Current		
Prepayments	160	1,243
Accrued income	3	349
	163	1,592

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6.4 Payables

	2020 \$000	2019 \$000
Current		
Trade payables	41	165
Other payables	21	64
GST payable	0	0
Total Current Payables	62	229

Payables are recognised at the amounts payable when the Perth Theatre Trust becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

6.5 Other liabilities

	2020 \$000	2019 \$000
Current		
Accrued expenses	225	491
Accrued salaries	93	83
Income received in advance	198	590
Funds held - Catering contract	50	75
Total Current	566	1,239

Balance at end of period

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. The Perth Theatre Trust considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (See Note 7.1 'Restricted cash and cash equivalents') consists of amounts paid annually, from the Perth Theatre Trust appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

6.6. Funds held in trust

	2020 \$000	2019 \$000
Ticketing Trust Account - Event Settlements	644	2,172
Total	644	2,172

7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Perth Theatre Trust.

	Notes
Cash and cash equivalents	7.1
Lease liabilities	7.2
Finance cost	7.3

7.1 Cash and Cash equivalents

	2020 \$000	2019 \$000
Cash and cash equivalents	2,460	1,340
Restricted cash and cash equivalents		
- Event settlements (a)	700	2,454
- Robert Finely Trust Account	0	1
- Accrued salaries suspense accounts(b)	84	60
Total current Payables	3,244	3,855

(a) Funds from ticket sales held on behalf of promoters and other parties in relation to the staging of events and shows, pending due and proper performance of contractual obligations.

(b) Funds held in the suspense account for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year. This account is classified as non-current for 10 out of 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

7.2 Lease Liabilities

This section should be read in conjunction with note 5.2.

	2020 \$000	2019 \$000
Current	23	0
Non-current	31	0
Total current	54	0

a. The Perth Theatre Trust's leasing activities and how these are accounted for:

When a lease contract contains a lease component and non-lease component, and if the non-lease component is material, the Perth Theatre Trust accounts for the amount of the non-lease component separately, where practicable from the lease amount by applying other applicable Standards.

Immaterial non-lease component(s) may be included in the lease amount, and accounted for as a single lease, by asset class.

Lessees were required to classify leases as either finance leases or operating leases until 30 June 2019. From 1 July 2019, at the commencement date, lessees are required to recognise leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

b. Variable Lease payments

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales are recognised by the Perth Theatre Trust in profit or loss in the period in which the condition that triggers those payments occurs

c. Extension and termination options

Periods covered by extension or termination options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

d. Short-term and low-value leases

Payments associated with short-term and low-value leases are recognised as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets that are individually valued less than \$5,000 at cost. This excludes leases with another wholly-owned public sector entity lessor agency. These expenses are included within note 3.5 Other Expenditure.

e. Concessionary leases

Concessionary leases also referred to as peppercorn leases, are to be measured and recognised at cost. Perth Theatre Trust is moderately dependent on leases that have significantly below-market terms and conditions, with three out of its six key venues being peppercorn leases. They have significantly below-market terms and conditions principally to enable the Trust to further its objectives as per the *Perth Theatre Trust Act 1979* which is to manage and operate theatres vested in or leased to it. Below is information about the nature and terms of the peppercorn leases held.

Lease	Nature and timing
Subiaco Arts Centre	<p>The Subiaco Arts Centre is for the lease of Crown land and all current and future buildings and improvements on that land (including Lessors fixtures).</p> <p>The lease payments are \$1.00 per annum and the lease term is for 21 years commencing on the 1 July 2006. The Perth Theatre Trust is restricted from using the underlying assets for any purpose other than for the following objectives:</p> <p>To provide a range of arts and arts related-events which include both opportunities for community participation and professional practice; to establish cultural developmental links with individuals, educational, community, government and other organisations; and to provide opportunities and support for practising artists to express their art and to interact.</p>
Perth Concert Hall	<p>The Perth Concert Hall is for the lease of land, buildings and other fixed improvements on the land. The lease payments are \$1.00 per annum and the original lease commenced on the 1 March 2004 for a term of 5 years plus 5 years option to renew. The lease is currently on a holding over basis.</p> <p>Perth Theatre Trust is restricted from using the underlying assets for any purpose other than for its permitted use as follows:</p> <p>To only use the Premises for the purposes of a concert hall, theatre, licensed restaurant and function and reception centre and tavern facility.</p>
State Theatre Centre, Old Perth Boy's School and Blue Room	<p>The State Theatre Centre, Old Perth Boy's School and Blue Room is for the lease of land and buildings. the lease payments are \$1.00 per annum and the lease term is for 21 years commencing 15 November 2018 with 7 year options commencing 15 November 2039</p> <p>The Perth Theatre Trust is restricted from using the underlying assets for any purpose other than for its permitted use as follows:</p> <ul style="list-style-type: none"> • Operation of theatres and for purposes ancillary or beneficial to that purpose.

f. Subsequent Measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications

7.3 Finance costs

	2020	2019
	\$000	\$000
Finance Cost		
Lease interest expense	1	0
Finance costs expensed	1	0

The interest component of lease liability repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

8. Financial Instruments and Contingencies

	Notes
Financial instruments	8.1
Contingent assets and liabilities	8.2

8.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2020	2019
	\$000	\$000
Financial Assets		
Cash and cash equivalents	2,460	1,340
Restricted cash and cash equivalents	784	2,515
Receivables at amortised cost (a)	42,755	40,890
Financial Liabilities		
Financial liabilities measured at amortised cost	1,272	3,640

(a) The amount of receivables at amortised cost excludes the GST recoverable from the ATO (statutory receivables).

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognized in the statement of financial position but are disclosed and, if quantifiable, are measured at nominal value

8.2.1 Contingent assets

At the reporting date, the PTT had no material contingent assets

8.2.2 Contingent liabilities

A party to a contractual agreement with the PTT, which expired in 2014, submitted a formal letter of demand in 2018 in the amount of \$243,989. The letter of demand is with regards to a contractual dispute. PTT does not agree nor accept any liability with regards to the dispute and this position was communicated to the other party.

Contaminated sites

Under the *Contaminated Sites Act 2003*, the PTT is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – remediation required or possibly contaminated – investigation required, the PTT may have a liability in respect of investigation or remediation expenses. At year end, PTT is not aware of any known or suspected contaminated sites that require to be reported to DWER.

9. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes	
Events occurring after the end of the reporting period	9.1	• Identifying contracts with customers
Initial application of Australian Accounting Standards	9.2	• Identifying separate performance obligations
Key management personnel	9.3	• Determining the transaction price of the contract
Related party transactions	9.4	• Allocating the transaction price to each of the performance obligations
Related bodies	9.5	• Recognising revenue when or as each performance obligation is satisfied.
Affiliated bodies	9.6	
Special purpose accounts	9.7	
Remuneration of auditors	9.8	
Equity	9.9	
Supplementary financial information	9.10	
Explanatory statement	9.11	

9.1 Events occurring after the end of the reporting period

There were no significant events occurring after the reporting period

9.2 Initial application of Australian Accounting Standards

9.2.1 AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers. Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue when or as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, income other than from contracts with customers are subject to AASB 1058 Income of Not-for-Profit Entities. Income recognition under AASB 1058 depends on whether such a transaction gives rise to liabilities or a contribution by owners related to an asset (such as cash or another asset) recognised by the Perth Theatre Trust.

The Perth Theatre Trust adopts the modified retrospective approach on transition to AASB 15 and AASB 1058. No comparative information is restated under this approach, and the Perth Theatre Trust recognises the cumulative effect of initially applying the Standards as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 July 2019).

Under this transition method, the Perth Theatre Trust elects to not to apply the standards retrospectively to non-completed contracts at the date of initial application.

Refer to Note 4.1, 4.2,4.3,4.4,4.5 and 4.6 for the revenue and income accounting policies adopted from 1 July 2019.

The effect of adopting AASB 15 and AASB 1058 are as follows:

	30 June 2020	Adjustments	30 June 2020 under AASB 15 and 1058
		\$000	\$000
User charges and fees	5,361		5,361
Sales	1,021		1,021
Other revenue	637	48	685
	7,019	48	7,067

9.2.2 AASB 16 Leases

AASB 16 Leases supersedes AASB 117 Leases and related Interpretations. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

The Perth Theatre Trust applies AASB 16 Leases from 1 July 2019 using the modified retrospective approach. As permitted under the specific transition provisions, comparatives are not restated. The cumulative effect of initially applying this Standard is recognised as an adjustment to the opening balance of accumulated surplus/(deficit).

The main changes introduced by this Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as right-of-use assets and lease liabilities, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (where the underlying asset is valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

Under AASB 16, the Perth Theatre Trust takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- right of use assets and lease liabilities in the Statement of Financial Position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate (2.1%) on 1 July 2019;
- depreciation of right-of-use assets and interest on lease liabilities in the Statement of Comprehensive Income; and
- the total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the Statement of Cash Flows.

In relation to leased vehicles that were previously classified as finance leases, their carrying amount before transition is used as the carrying amount of the right-of-use assets and the lease liabilities as of 1 July 2019.

The right-of-use assets are assessed for impairment at the date of transition and the Perth Theatre Trust has not identified any impairments to its right-of-use assets.

On transition, the Perth Theatre Trust has elected to apply the following practical expedients in the assessment of their leases that were previously classified as operating leases under AASB 117:

- A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics;
- The Perth Theatre Trust has relied on its assessment of whether existing leases were onerous in applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. The Perth Theatre TRUST has adjusted the ROU asset at 1 July 2019 by the amount of any provisions included for onerous leases recognised in the statement of financial position at 30 June 2019;"

- (c) Where the lease term at initial application ended within 12 months, the Perth Theatre Trust has accounted for these as short-term leases;
- (d) Initial direct costs have been excluded from the measurement of the right-of-use asset;
- (e) Hindsight has been used to determine if the contracts contained options to extend or terminate the lease.

9.2.2.1 Measurement of lease liabilities

	\$'000
Operating lease commitments disclosed as at 30 June 2019	25
Discounted using incremental borrowing rate at date of initial application ¹	131
Add:	
Finance lease liabilities recognised as at 30 June 2019	0
Less:	
Short-term leases not recognised as liability	4
Low value leases not recognised as liability	51
Lease liability recognised at 1 July 2019	76
Current lease liability	22
Non-current lease liability	54

¹ The WATC incremental borrowing rate was used for the purposes of calculating the lease transition opening balance.

9.3 Key management personnel

The Perth Theatre Trust has determined key management personnel to include cabinet ministers and senior officers of the Trust. The Perth Theatre Trust does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

Compensation of trustees of the Perth Theatre Trust

The total fees, salaries, superannuation, non-monetary benefits and other benefits for the accountable authority of the Perth Theatre Trust for the reporting period are presented within the following bands:

\$	2020	2019
0 - 10,000	8	9

Compensation of senior officers

The total fees, salaries, superannuation, non-monetary benefits and other benefits for senior officers of the Perth Theatre Trust for the reporting period are presented within the following bands:

Compensation band (\$)	2020	2019
0 - 10,000	1	1
120,001 - 130,000	0	1
130,001 - 140,000	1	0
150,001 - 160,000	1	1
160,001 - 170,000	2	2
	2020	2019
Short-term employee benefits	555	558
Post-employment benefits	53	53
Other long-term benefits	0	0
Termination benefits	0	0
Total compensation of senior officers	608	611

Total compensation includes the superannuation expense incurred by the Perth Theatre Trust in respect of senior officers.

9.4 Related Party Transactions

The Perth Theatre Trust is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the Perth Theatre Trust is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to the State.

Related parties of the Perth Theatre Trust include:

- all Ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and public sector entities, including related bodies included in the whole of government consolidated financial statements;
- associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

Significant transactions include:

- service appropriations (Note 4.1)
- capital appropriations (Note 4.1);
- services received free of charge from the Department of Local Government Sports and Cultural Industries (Note 4.1);
- Royalties for Regions Fund (Note 4.1);
- superannuation payments to GESB (Note 3.1(a));
- audit fees to Auditor General (Note 9.8)

Material transactions with related parties

Outside of normal citizen type transactions with the Perth Theatre Trust, there were no material transactions with related parties other than those listed above.

9.5 Related bodies

At the reporting date, the Perth Theatre Trust had no related bodies as defined by Treasurer's Instruction 951.

9.6 Affiliated bodies

At the reporting date, the Perth Theatre Trust had no affiliated bodies as defined by Treasurer's Instruction 951.

9.7 Special purpose accounts

Special Purpose Account - section 16(1)(c) of Financial Management Act 2006

Perth Theatre Trust Ticketing Account

The purpose of the account is to hold funds on behalf of promoters and other parties in relation to the staging of events and shows, pending due and proper performance of contractual obligations.

	2020	2019
	\$000	\$000
Balance at the start of the year	2,455	2,802
Receipts	6,534	10,250
Payments	(8,289)	(10,597)
Balance at the end of the year	700	2,455

9.8 Remuneration of auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2020	2019
	\$000	\$000
Auditing the accounts, financial statements and key performance indicators	26	26

	2020	
9.9 Equity		
Contributed equity		
	2020	2019
	\$000	\$000
Balance at start of period	118,456	117,166
Capital Projects Funded By the Department of Local Government Sports and Cultural Industries:		
His Majesty Theatre - Seating Replacement	0	17
His Majesty's Theatre Pit Lift and Front of House Renovations	5,468	1,273
Total contributions by owners	5,468	1,290
Balance at end of period	123,924	118,456

Asset revaluation surplus

Balance at start of period	0	1,716
Land and buildings	0	(1,716)
Balance at end of period	0	0

9.10 Supplementary financial information

(a) Write-offs

During the financial year, \$11,120 (2019: \$6,427) in bad debts was written off under the authority of:

	2020	2019
	\$000	\$000
The board of Trustees (Perth Theatre Trust)	11	6

(b) Losses through theft, defaults and other causes

There were no losses of public moneys and public and other property through theft or default during the financial year.

(c) Gift of public property

There were no gifts of public property provided by the Perth Theatre Trust.

9.11 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2020, and between the actual results for 2020 and 2019 are shown below. Narratives are provided for selected major variances, which are generally greater than 10% and \$1 million for the Statements of Comprehensive Income, Cash Flows, and the Statement of Financial Position.

Statement of Comprehensive Income

	Notes	Estimate 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Variance between estimate and actual \$000	Variance between actual results for 2020 and 2019 \$000
COST OF SERVICES						
Expenses						
Employee benefits expense	A	9,503	9,627	9,036	124	591
Supplies and services		2,631	3,668	3,200	1,037	468
Depreciation and amortisation expense		2,724	2,899	2,813	175	86
Revaluation decrement on land and buildings		0	3,386	1,414	3,386	1,972
Finance cost		0	1	0	1	1
Accommodation expenses		3,430	3,500	3,856	70	(356)
Cost of sales		250	305	212	55	93
Grants and subsidies		500	568	540	68	28
Other expenses		691	615	393	(76)	222
Total cost of services		<u>19,729</u>	<u>24,569</u>	<u>21,464</u>	<u>4,840</u>	<u>3,105</u>
Income						
Revenue						
User charges and fees	1	6,029	5,361	6,389	(668)	(1,028)
Sales		811	1,021	707	210	314
Sponsorship		180	367	441	187	(74)
Interest revenue		46	22	57	(24)	(35)
Other revenue		1,164	685	742	(479)	(57)
Total Revenue		<u>8,230</u>	<u>7,456</u>	<u>8,336</u>	<u>(774)</u>	<u>(880)</u>
Gains						
Gain on disposal of non- current assets		0	0	0	0	0
Total gains		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total income other than income from State Government		<u>8,230</u>	<u>7,456</u>	<u>8,336</u>	<u>(774)</u>	<u>(880)</u>
NET COST OF SERVICES		<u>11,499</u>	<u>13,128</u>	<u>3,985</u>	<u>(2,564)</u>	<u>(1,595)</u>
Income from State Government						
Service appropriation	B,2	9,262	11,637	9,187	2,375	2,450
State grants and subsidies	B,3	0	1,563	198	1,563	1,365
Assets transferred / (assumed)		0	0	355	0	(355)
Services received free of charge	4	1,949	1,061	2,167	(888)	(1,106)
Royalties for Regions Fund		500	500	464	0	36
Total income from State Government		<u>11,711</u>	<u>14,761</u>	<u>12,371</u>	<u>3,050</u>	<u>2,390</u>
SURPLUS / (DEFICIT) FOR THE PERIOD		<u>212</u>	<u>(2,352)</u>	<u>(757)</u>	<u>(2,564)</u>	<u>(1,595)</u>

Major Estimate and Actual (2020) Variance Narratives

A. The increase in supplies and services (\$1.037 million or 39%) was mainly due to additional expenditure incurred by PTT as part of its COVID response measures and cost incurred for the PTT programmed event (Hair) which was not in the original budget.

B. The increase in service appropriation (\$2.375 million or 26%) and state grants and subsidies (\$1.563 million or 100%) was due to the additional funding provided by the State Government to cover for lost revenue due to COVID-19 and additional expenditure incurred by DLGSC for the renovations at His Majesty's Theatre (HMT).

Major Actual (2020) and Comparative (2019) Variance Narratives

1. The reduction in user fees and charges (\$1.028 million or 16%) was mainly due to the closure of all PTT venues from March 2020 to 30 June 2020 due to the COVID-19 pandemic.

2. The increase in the service appropriation (\$2.450 million or 27%) was attributable to supplementary funding provided by the State Government to cover for lost revenue and additional expenditure incurred by the Perth Theatre Trust due to COVID-19.

3. The increase in state grants and subsidies (\$1.365 million or 689%) was attributable to additional funding provided by DLGSC for the renovations at His Majesty's Theatre (HMT).

4. The reduction in services received free of charge (\$1.106 million or 51%) was linked to the reduced expenditure incurred by DLGSC on building maintenance for the PCC.

Statement of Financial Position

	Notes	Estimate 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Variance between estimate and actual \$000	Variance between actual results for 2020 and 2019 \$000
ASSETS		\$000	\$000	\$000	\$000	\$000
Current assets						
Cash and cash equivalents		1,750	2,460	1,340	710	1,120
Restricted cash and cash equivalents	5	2,762	700	2,455	(2,062)	(1,755)
Inventories		24	57	24	33	33
Receivables		440	194	432	(246)	(238)
Other current assets	6	507	163	1,592	(344)	(1,429)
Total current assets		5,483	3,574	5,843	(1,909)	(2,269)
Non-Current Assets						
Restricted cash and cash equivalents		38	84	60	46	24
Amounts receivable for services		42,731	42,598	40,126	(133)	2,472
Property, plant and equipment		111,000	111,072	109,911	72	1,161
Right of use assets		0	53	0	53	53
Intangible assets		918	584	825	(334)	(241)
Total non-current assets		154,687	154,391	150,922	(296)	3,469
TOTAL ASSETS		160,170	157,965	156,765	(2,205)	1,200

LIABILITIES

	Notes	Estimate 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Variance between estimate and actual \$000	Variance between actual results for 2020 and 2019 \$000
Current liabilities						
Payables		230	62	229	(168)	(167)
Funds held in trust	5	1,197	644	2,172	(553)	(1,528)
Lease liabilities		0	23	0	23	23
Employee related provisions	C	2,345	948	695	(1,397)	253
Other current liabilities		1,428	566	1,239	(862)	(673)
Total current liabilities		5,200	2,243	4,335	(2,957)	(2,092)
Non Current Liabilities						
Employee related provisions		540	596	451	56	145
Lease liabilities		0	31	0	31	31
Total non-current Liabilities		540	627	451	87	176
TOTAL LIABILITIES		5,740	2,870	4,786	(2,870)	(1,916)
NET ASSETS		154,430	155,095	151,979	665	3,116

EQUITY

Contributed equity	D,7	116,473	123,924	118,456	7,451	5,468
Reserves	E	6,636	0	0	(6,636)	0
Accumulated surplus		31,321	31,171	33,523	(150)	(2,352)
TOTAL EQUITY		154,430	155,095	151,979	665	3,116

Major Estimate and Actual (2020) Variance Narratives

C. The reduction in employee related provisions (\$1.397 million or 59%) was due to the actual provision being much lower than the approved leave liability cap.

D. The increase in contributed equity (\$7.451 million or 6%) was due to the recognition of the capital funding provided for the renovations at HMT

E. The reduction in reserves (\$6.636 million or 100%) was due to the application of revaluation decreases for land and building over two successive years.

Major Actual (2020) and Comparative (2019) Variance Narratives

5. The reduction in funds held in trust - current asset (\$1.755 million or 64%) and funds held in trust - current liabilities (\$1.528 million or 70%) was due to ticket sales refunds for cancelled events due to the COVID-19 pandemic.

6. The reduction in other current assets (\$1.429 million or 89%) was mainly due to RiskCover prepaid insurance premiums in 2019.

7. The increase in contributed equity (\$5.468 million or 5%) was due to the recognition of the capital funding provided for the renovations at HMT.

Statement of Cash Flows

	Notes	Estimate 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Variance between estimate and actual \$000	Variance between actual results for 2020 and 2019 \$000
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		6,692	9,165	6,612	2,473	2,553
State grants and subsidies		0	(7)	469	(7)	(476)
Capital contributions		0	0	165	0	(165)
Holding account drawdowns		0	0	0	0	0
Royalties for Regions Fund		500	500	464	0	36
27th pay holding account movement		0	24	23	24	1
Net cash provided by State Government		7,192	9,682	7,733	2,490	1,949

Utilised as follows:

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Payments from trust fund	8, F	(10,500)	(8,269)	(10,597)	2,231	2,328
Employee benefits		(9,888)	(9,136)	(8,983)	752	(153)
Supplies and services		(2,886)	(3,024)	(3,290)	(138)	266
Finance cost		0	(1)	0	(1)	(1)
Accommodation		(2,087)	(2,533)	(1,890)	(446)	(643)
Grants and subsidies		(500)	(608)	(750)	(108)	142
GST payments on purchases		(892)	(660)	(729)	232	69
GST payments to taxation authority		(217)	(266)	(471)	(49)	205
Other payments		(1,300)	(1,051)	(370)	249	(681)

Receipts

Receipts into trust fund	8, F	11,500	6,534	10,254	(4,966)	(3,720)
User charges and fees		6,153	5,691	6,479	(462)	(788)
Sale of goods and services		811	1,021	707	210	314
Sponsorship		180	367	441	187	(74)
Interest received		60	22	71	(38)	(49)
GST receipts on sales		756	886	857	130	29
GST receipts from taxation authority		113	27	106	(86)	(79)
Other receipts		1,634	952	150	(682)	802
Net cash provided by/ (used in) operating activities		(7,063)	(10,048)	(8,015)	(2,985)	(2,033)

CASH FLOWS FROM INVESTING ACTIVITIES

Notes	Estimate 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Variance between estimate and actual \$000	Variance between actual results for 2020 and 2019 \$000
Proceeds from sale of non-current physical assets	0	0	0	0	0
Payments					
Purchase of non-current physical assets	0	(223)	(284)	(223)	61
Receipts					
Proceeds from sale of non-current physical assets	0	0	0	0	0
Net cash provided by/(used in) investing activities	0	(232)	(284)	(232)	61

CASH FLOWS FROM INVESTING ACTIVITIES

Payments

Principal elements of lease (2019 – finance lease) payments	0	(22)	0	(22)	(22)
Net cash provided by/(used in) financing activities	0	(22)	0	(22)	(22)
Net increase / (decrease) in cash and cash equivalents	129	(611)	(566)	(740)	(45)
Cash and cash equivalents at the beginning of the period	4,421	3,855	4,421	(566)	(566)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,550	3,244	3,855	(1,306)	(611)

Major Estimate and Actual (2020) Variance Narratives

F.The decrease in the payments from the trust account (\$2.231 million or 21%) and receipts into the trust account (\$4.966 million or 43%) was due to reduced activity due to the cancellation of events at all PTT venues because of the COVID-19 pandemic.

Major Actual (2020) and Comparative (2019) Variance Narratives

8.The decrease in the payments from the trust account (\$2.328 million or 22%) and receipts into the trust account (\$3.720 million or 37%) was due to reduced activity due to the cancellation of events at all PTT venues because of the COVID-19 pandemic.

Image acknowledgements

Cover Page – Subilicious, Subiaco Arts Centre. Photo by Alison Rodrigues

Page 11 – Courtyard Club. Photo by Cam Campbell.

Page 23 - *HAIR The Musical* at His Majesty's Theatre. Photo by Alison Rodrigues

Page 25 - *Bangarra - 30 Years of 65 Thousand* - to make fire. Photo by Daniel Boud

Page 27 - Subilicious Opening Night. Photo by Alison Rodrigues

Page 29 - The cast of *MUCH ADO ABOUT NOTHING*. Photo by Clare Hawley

Page 43 - Outside Crew & King. Photo by City of Perth