



# EMPIRE THEATRES

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## ANNUAL REPORT 2016-2017





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## Corporate Information

As at 30 June 2017

Empire Theatres Pty Ltd

ACN: 086 482 288  
 ABN: 83 086 482 288

**Registered Office:**

56 Neil St, Toowoomba QLD 4350  
 PO Box 1227, Toowoomba QLD 4350  
 Phone: 07 4698 9900  
 Facsimile: 07 4698 9940  
 Email: [empire@empiretheatre.com.au](mailto:empire@empiretheatre.com.au)

**Web Page:** [www.empiretheatre.com.au](http://www.empiretheatre.com.au)

**Facebook:** [www.facebook.com/EmpireTheatre](https://www.facebook.com/EmpireTheatre)

**Twitter:** @EmpireToowoomba

**YouTube:** [www.youtube.com/EmpireTheatre](https://www.youtube.com/EmpireTheatre)

**Instagram:** [empiretoowoomba](https://www.instagram.com/empiretoowoomba)

**Bankers:**

Heritage Bank  
 Heritage Plaza  
 Ruthven St, Toowoomba QLD 4350

**Auditors:**

Queensland Audit Office  
 Level 11, Central Plaza One  
 345 Queen St, Brisbane QLD 4000



## OUR VISION

To nurture, enable and inspire the cultural capacity of our community.

## OUR ROLES

PROVIDE and operate world-class venues for performing arts and community activities.

PRESENT and produce diverse performing arts experiences.

ENGAGE with stakeholders to facilitate accessible cultural opportunities.

## OUR VALUES | WE ARE...

### VIBRANT

We are innovative, adventurous and bold, yet considered and accountable.

### COLLABORATIVE

We cannot achieve our goals alone. We connect transparently with our owner, our communities, our clients and sponsors.

### TRANSFORMATIONAL

We lead to change things for the better. We are opportunistic, adaptable and entrepreneurial.

## OUR PRIORITIES

DEVELOP new audiences by trialling and evaluating offerings to different market segments.

PROVIDE comprehensive, integrated service delivery to patrons, find and fill service gaps and upgrade service quality.

INCREASE casual use of the precinct by expanding the range of activities available.

## TOOWOOMBA REGIONAL COUNCIL (TRC)

We commit to working in partnership with TRC to assist achieving its priority of placing arts and culture at the centre of the community. As our owner we will consult with and regularly report to the Council on our strategic direction and performance.

# EMPIRE THEATRES PTY LTD BOARD & STAFF LISTS

## AS AT 30 JUNE 2017

### BOARD OF DIRECTORS OF EMPIRE THEATRES PTY LTD

<b>Chairman:</b>	Professor Peter Swannell AM
Deputy Chair:	Mrs Sheena Liley
Company Secretary:	Mr Bill Armagnacq
Mrs Janelle Davis	Mr Andrew Wielandt
Mr Mark O’Connell	Ms Melissa Taylor
Mr John Pearson	Mrs Amanda Tolson

### TRUSTEES OF THE EMPIRE THEATRES FOUNDATION

<b>Chair:</b>	Mrs Sheena Liley
Deputy Chair:	Mrs Janelle Davis
Dr Kate Foy	Ms Carol James
Dr Sharyn Donaldson	Mr Ben Gouldson
Mr Matt Cherry	Mr Richard Chiverrell

### STAFF

General Manager	Kerry Saul
Deputy General Manager & Administration Manager	Helen Oldham
Events Manager	Margaret Turnbull
Technical Manager	Timothy Panitz
Projects Manager	Jeanette Wedmaier
Marketing and Development Manager	Emilee Nichols
Youth Arts Director	Ari Palani
Head of Audio	Steve Alexander
Publicist	Sarah Fleming
Graphic Designer	Cecile O’Mara
Management Support Officer & Foundation Officer	Kate Brennan
Accountant	Anthony Nunn
Finance Officer	Alison Murrell
Theatre Technicians	Robert Darvall
	Shane Howarth-Crewdson
	Kris Stewart
	Ben Hunt
	Sonny Hillman
Events Coordinator	

### CASUAL STAFF

Box Office:	Kerry Politch	Events:	Sheriden Wright	Technicians:	Jessica Schutt
	Ora Whitley				Matthew Skerman
	Wes Drimley	Youth Arts:	Marcus Oborn		Lincoln Campbell
	Claire Bourke				Kehan Ryley

*Approximately 40 other casual staff are employed in the technical and bar service areas. Around 270 active volunteer members of the Friends of the Empire Theatres Inc. perform duties including front of house, ushering, ticket collecting, marketing mail outs, flower arranging, biscuit baking and other services*



### Professor Peter Swannell AM – Chairman

Peter Swannell is a Professor Emeritus and former Vice-Chancellor and President of the University of Southern Queensland (USQ). He was a Director of Heritage Bank/Heritage Building Society from 2003-2014, Chair of the Queensland Museum from 2008-2010 and a former board member of The Queensland Orchestra. He is a Fellow of the Institution of Engineers Australia and holds degrees from USQ, Bristol University and Birmingham University. Prof Swannell is a Centenary Medallist and is a Member of the Order of Australia.



### Mrs Sheena Liley – Deputy Chair (Board of Directors), Chair (Foundation)

Sheena Liley is a retired lawyer and holds degrees in Arts and Law (honours) from the University of Queensland and Queensland University of Technology respectively. She has served as a Director of Empire Theatres since inception, as Deputy Chair from 2007 and chaired the Board's Programme Review Committee since 2004. She is also a Trustee of the Empire Theatres Foundation and was appointed its Chair in July 2011. A Life Member of Save the Children Australia, Sheena sings with the Toowoomba Vocal Ensemble and has always been involved in the performing arts.



### Mr T. William Armagnacq – Board Member

Bill Armagnacq is the Company Secretary/Assistant Chief Executive Officer of Heritage Bank Limited. He joined the Board in July 2013 and is also the Company Secretary and a member of the Audit and Finance Committee. He is currently a member of the Glennie School Council. He is a current member and former president of The Rotary Club of Toowoomba Inc. He has served as a Director or Committee member of a number of companies and not for profit organisations. Bill is a Fellow of the Institute of Chartered Accountants and the Australian Institute of Company Directors.



### Mr Matt Cherry – Trustee

Matt Cherry was born and educated in Toowoomba and is a Partner in Horizon Accounting Group. Matt has over 20 years of experience in public practice and looks after the taxation and superannuation requirements of a wide range of clients. Matt has a long association with the Toowoomba Choral Society and is treasurer of the production committee. He is proud to be involved in the Empire Theatres Foundation and the important role it plays in supporting Youth Arts across the region.



### Mr Richard Chiverrell – Trustee

Richard Chiverrell has recently retired from being engaged as a senior architect and project manager with Project Services, and before that in private practice with Project Strategies & Solutions Pty Ltd. Most of his professional life has been involved with medical facilities specialising in Scientific Health Services, Forensic Facilities, Aged Care and Multi-Purpose Health Facilities for Queensland Health in outback areas.



### Mrs Janelle Davis – Board Member

Janelle graduated from the University of Southern Queensland with a Bachelor of Creative Arts, majoring in Voice. A teaching career spanning 20 years, Janelle is currently on staff at Toowoomba Grammar School in the capacity of Piano and Brass teacher. Janelle has worked on many of the Empire Theatres productions as a Vocal Coach and Choral Conductor.



### Dr Sharyn Donaldson – Trustee

Sharyn Donaldson joined the Empire Theatres Foundation Trustees in 2014. She is the owner of The Sauce Kitchen, a kitchen shop and cooking school in downtown Toowoomba. With a background in medicine, she continues to practice at the Diagnostic Breast Clinic at St Andrews Hospital. She has been involved in the arts all her life, and brings enthusiasm and expertise to the Trustees, particularly in the discipline of dance.



### Dr Kate Foy – Trustee

Kate Foy's career has been in the Australian theatre and higher education sectors. As an actor Kate has appeared in over 40 professional productions for Queensland Theatre Company, Twelfth Night, New England Theatre Company, Metro Arts, and La Boite Theatre Company. Kate was the inaugural producer of USQ's Shakespeare in the Park Festival and has an extensive production biography in university theatre. Her most recent appearance was in QUARTET for Queensland Theatre Company. She currently teaches acting in the Musical Theatre Department, Queensland Conservatorium Griffith University. Kate also works professionally as a director and voice-over artist. As a theatre advocate she has served as Chairman of the Board Queensland Theatre Company, as a Director on the Board of Empire Theatres, and currently serves as a Trustee of the Empire Theatre Foundation.



### Mr Ben Gouldson – Trustee

Ben Gouldson is a Director of Clifford Gouldson Lawyers and joined the Empire Theatres Foundation Trustees in 2016. Ben is a highly regarded legal advisor trusted by many of Toowoomba's leading businesses and organisations to advise them across legal areas including tax, structuring, intellectual property and litigation. Ben has a long personal association with the arts including having performed in locally produced musical productions and choirs. He has a particularly passion for the value that music and the arts can play in the development and growth of children.



### Mrs Carol James – Trustee

Carol was formerly an educational administrator and secondary school languages teacher. She graduated from the University of Tasmania with a Bachelor of Arts and subsequently gained a Diploma of Education from Monash University. She has taught in Tasmania, Victoria, Japan, England and Queensland and was deputy principals at Harristown State High School for ten years. Mrs. James enjoys volunteering with the Friends of the Empire Theatre and at Cobb + Co Museum.



### Mr Mark O'Connell – Board Member

Mark O'Connell joined the Department of Defence in 2010 and currently is responsible for the day to day management of the three military bases on the Darling Downs. Born and educated in Toowoomba, prior to his current role Mr O'Connell spent the last 18 years with a Multinational Wine & Spirits company working in Brisbane, Sydney and The Americas, with the last four years as Managing Director – Australia. He is also a member of the Lions Club of Toowoomba West.



### Mr John Pearson – Board Member

John is currently the Director of his own management consultancy working primarily in the Human Resources area. John retired from his role at the University of Southern Queensland where he was the Executive Director of Human Resources for more than 20 years. Prior to moving to Toowoomba he was the Director of Human Resources at the Queensland Treasury Department. He has degrees from the University of Queensland and Central Queensland University. John has served on the Board of Fairholme College for the period from 2000 to 2004 and is an active member of the Toowoomba Golf Club.



### Ms Melissa Taylor – Board Member

Melissa completed a Bachelor of Business at USQ with a double major in Economics and Government. Melissa joined Taylor's Removals and Storage in 2004, fourth generation of the family involved in the business and is now Managing Director. Melissa's other Board appointments include the Transport & Logistics Workforce Advisory Committee with the State Government, Toowoomba Clubhouse, Australian Furniture Removers Assoc. and Nexus Business Advisory Group. Melissa has a passion for the Toowoomba Region and the youth of our community.



### Mrs Amanda Tolson – Board Member

Amanda Tolson is a Director of Clifford Gouldson Lawyers and has spent more than 10 years assisting and advising businesses in a broad array of commercial transactions. Amanda spent her high school years in the Toowoomba region and returned from Brisbane to be closer to her family who continue to farm in the Brookstead area. Amanda is a member and graduate of the Australian Institute of Company Directors.



### Mr Andrew Wielandt – Board Member

Andrew is the managing partner for a Toowoomba based wealth management and wealth protection business, Dornbusch Partners. His community engagement includes being Deputy Chair of the Toowoomba Hospital Foundation, serving on the board of Empire Theatres and is a Past President of the Toowoomba Chamber of Commerce & Industry.

## CHAIRMAN'S REPORT

Annual Reports are dangerous documents! Experts will warn against selective quoting of facts contained in them. I commend to you the detailed study of this 2016-2017 Report.

A selective fact is that our main company, Empire Theatres Pty Ltd, completed this financial year with a highly satisfactory closing Balance of \$753,593. It should be viewed alongside the deliberate and budgeted deficit posted by Empire Theatre Projects Pty Ltd, necessary in order for the Theatres to fulfil their consolidated obligations.

It has been another excellent year for our Theatres but sometimes excellent years can incur expenditures that are only sustainable in the relatively short term. The Board and our operating staff are mindful of this and alert to the need for the continuing search for greater revenue from traditional and new sources.

As we do this, it is instructive and comforting to look back at past financial performances. For example the main company's closing balance at 30 June 2004 was \$273,954 and closing balances have continued to grow since that time.

Artistically, we have had a most interesting year. "Wicked", our major in-house production, was universally applauded and a great credit to Alison Vallette and her cast and crew. The on-stage programs throughout the year, not least in the Armitage Centre, have demonstrated through their quality and diversity why we can rightly now claim to stand at the forefront of regional theatre in Australia.

After over eighteen years in the job I hand over the Chairmanship of Empire Theatres Pty Ltd to my colleague Andrew Wielandt at our AGM. I have loved every minute; I thank all my Board colleagues and staff for their wonderful support and I wish them all well as the Theatres continue to prosper.

*Peter Swannell*

Peter Swannell, AM

**Chairman**, Empire Theatres Pty Ltd

**Chairman**, Empire Theatre Projects Pty Ltd



## GENERAL MANAGER'S REPORT

I would note the resignation of Professor Peter Swannell AM as chair of the Empire Theatres and sincerely thank him for his leadership and support since the formation of the Company. I also note his long standing involvement in actively supporting the refurbishment of The Empire prior to the reopening in 1997. With Peter's departure, I welcome Andrew Wielandt as our new board chair.

Empire Theatres outcomes for the 2016-17 year are in line with expectations. We presented 893 events and activities. We were visited 130,000 times. We met budget targets. We also accepted \$197,515 in value from sponsors and donors who support the performing arts and our place in this wonderful community.

Our major community musical production, *Wicked*, with Heritage Bank continuing their extremely valuable support as our presenting partner proved to be a high quality, very popular season with a paid attendance of 8156. We have continued our emphasis on providing regular opportunity for young participants in the form of performance and workshop events.

I thank our Board, our Empire Friends of the Theatre, and Toowoomba Regional Council for their committed support

and enthusiasm. I thank Deputy General Manager Helen Oldham, Technical Manager Timothy Panitz, Projects Manager Jeanette Wedmaier, Events Manager Margaret Turnbull, Marketing and Development Manager Emilee Nichols and our talented and hardworking staff who make up our talented team. I acknowledge and thank our supporters and donors, who provide financial and enthusiastic support for the arts in our region.

Empire Theatres sets out to nurture, enable and inspire the cultural capacity of our community, and I believe that we demonstrate this vision in so much of what we do.

*Kerry Saul*

Mr Kerry Saul

**General Manager**

Empire Theatres Pty Ltd

Empire Theatre Projects Pty Ltd

## PRESIDENT'S REPORT

The environment, in which we live today, has become a very challenging and competitive one regarding most aspects of any business. I am happy to say, however, as a volunteer association, the Friends of the Empire Theatre is immune to the many pressures of other organisations because our members are here because they want to be here. This, I consider, makes an efficient and productive group which continues to provide support to the Empire Theatre.

I thank all volunteers who offer their services and all members who promote the theatre.

I extend my appreciation to our Management Committee for a productive year. During the year we lost the services of Warren and Irene Russell who moved to Brisbane and also Tony Brown. Thank you to those people for their contribution over several years.

Our membership register is now in new hands. I thank Helen Oldham, Alison Murrell and Gay Jorgensen.

Our donations to Theatre Services this year list a Keyboard, Defibrillator, Catering Equipment, Juice Dispensers and Vehicle Lease, to a total value of \$22,681.95.

This accumulates to a total of \$628,270.36 since our inception in 1996. I thank all members for making this possible.

My sincere appreciation goes to:

- The Toowoomba Regional Council for allowing us to live our passion, and, the sponsorship of our insurance policy.
- Prof. Peter Swannell and his Board of Management.
- Mr Kerry Saul and his Management team.
- Mrs Mary-Lou Coorey for her auditing services.

*Colin Muller*

Mr Colin Muller OAM

**President**

Friends of the Empire Theatre Inc.

## CHAIR'S REPORT

The Foundation continues to be a key participant in the Empire's work developing performing arts skills in our region. I sincerely thank all our generous Foundation sponsors and community donors who make this possible. Cost increases in training courses are a constant challenge. The need to widen our funding base was a renewed focus for Trustees, working closely with Empire Marketing and Development.

This year, Trustees awarded another 26 Youth Bursaries to young performers (some from Dalby, Lockyer and Warwick), funded a Children's Chorus from 15 schools to sing in Opera Australia's 'The Marriage of Figaro', gave mentoring and performance opportunities with QSO to young advanced classical instrumentalists, collaborated with the Toowoomba Regional Art Gallery on the 'ACO Virtual' installation which drew record visitors, and contributed to Empire projects including Youth Arts classes and skills development for refugee students. As well, donated historic material was assessed for the Empire's archive.

Brian Boak Bursary holder (now Dr.) Sam Nester, completed his funded projects. We also congratulate former Brian Boak

recipients who continue to receive accolades in their chosen fields. This valuable bursary will be offered again in 2017-18.

I gratefully acknowledge Deputy Chair Janelle Davis and fellow Trustees for their skills, time and enthusiasm. Crucial administrative support was given by Foundation Officer Kate Brennan and Minutes Secretary Susan Cherry together with other Empire staff.

In conclusion, Trustees offer heartfelt thanks and warmest good wishes to our retiring Board Chair and strong Foundation supporter, Professor Peter Swannell.

*Sheena Liley*

Mrs Sheena Liley

**Chair**  
Empire Theatres Foundation

The Empire Theatres Foundation was launched in August 2003 by its patron, Mr Geoffrey Rush.

It has three main objectives:

- To provide performing arts opportunities to further the cultural experiences of Toowoomba's youth
- To promote the performing arts for the benefit of the local community
- To preserve the moveable cultural heritage associated with the Empire Theatres.

The Empire Theatres Foundation is a registered Deductible Gift Recipient (DGR) under the Australian Tax Office (ATO) Income Tax assessment regulations 1997.

The Empire Theatres Foundation gratefully acknowledges the generous donations from the following people during the 2016-2017 financial year:

### FOUNDATION DONORS

Ian and Lynn Sharpe  
Ross and Fay Miller  
Barry Stone  
Denise McTaggart  
Jeff Young

Clive and Conchita Armitage  
Tilly's Crawler Parts  
Ron and Shelly Barclay  
Richard Chiverrell  
Ben Gouldson

Carol James  
Matt Cherry  
Jennifer Dean

### LIFE MEMBERS

Mr Merv Bond  
Mr Don Stevens

Mr Ross Miller  
Prof Peter Swannell

Mrs Beris Broderick  
Mr Robert Sellars (deceased)



*Empire Theatres Foundation Patron, actor Geoffrey Rush.*

# EMPIRE THEATRES' BUSINESS PARTNERS

The Empire Theatres' Business Partners are like-minded organisations with a shared commitment towards quality, innovation and inspiration in delivering their own customer focused performance within our community. These mutually beneficial partnerships enable the Empire Theatre to expand its programming diversity.

## Presenting Partners



## Business Partners



## Foundation Sponsors



## Media Partners



## Government Partners



# 2016 – 2017 OVERVIEW

**81,816**  
TICKETS  
WERE ISSUED  
IN THE PAST  
FINANCIAL  
YEAR

TOTAL ATTENDANCE  
for the Empire Theatres Precinct

**131,510**

**\$197,515**  
FUNDING  
RAISED FOR THE  
THEATRE FROM  
OUTSIDE TOOWOOMBA  
REGIONAL COUNCIL

**3000+** PEOPLE ATTENDED THE  
EMPIRE THEATRES OPEN DAY

115 STUDENTS ENGAGE WITH EMPIRE YOUTH ARTS WEEKLY

 **11,364**  
LIKES ON FACEBOOK  
at end of financial year

NUMBER OF GLASSES  
OF SPARKLING WINE SOLD

 **4145**

**THROUGH A  
GLASS ONION**  
STARRING JOHN WATERS  
IN JANUARY 2017  
WAS THE FIRST SHOW TO  
**SELL OUT**  
IN THE ARMITAGE CENTRE

Friends of the  
Empire Theatre  
**PROVIDED** **28,150**  
BISCUITS, SLICES & CAKES

**36,246** TICKETS  
**SOLD**  
via the website in 2016/2017 financial year

**3.5** HOURS TO PAINT  
Elphaba green

**8917** TOTAL NUMBER OF AUDIENCE MEMBERS  
WHO SAW WICKED

2017 MARKS THE **10TH YEAR**  
HERITAGE BANK HAS BEEN A MAJOR SPONSOR  
OF THE EMPIRE THEATRE'S MAJOR PRODUCTION

**26** YOUTH BUSARIES  
AWARDED  
LAST YEAR



**EMPIRE THEATRES PTY LTD**

**& CONTROLLED ENTITY**

**ABN 83 086 482 288**

**FINANCIAL STATEMENTS**

**For the year ended 30 June 2017**

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES  
ABN 83 086 482 288**

**Financial Statements  
For the year ended 30 June 2017**

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**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**DIRECTORS' REPORT**

Your Directors present their report on the company and its controlled entities for the year ended 30 June 2017.

**Directors**

The names of the Directors in office at any time during, or since the end of the financial year are:

Prof P Swannell AM (Chairman)  
Mrs S Liley (Deputy Chair)  
Mr W Armagnacq  
Ms M Taylor  
Mr A Wielandt  
Mr M O'Connell  
Mrs J Davis  
Mr J Pearson (appointed 15 August 2016)  
Mrs A Tolson (appointed 15 August 2016)

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

**Principal Activities**

The principal activity of the consolidated group has been to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with Toowoomba Regional Council.

**Significant Changes in the State of Affairs**

No significant changes in the company's state of affairs occurred during the financial year.

**Review of Operations**

The consolidated loss of the group for the financial year ended 30 June 2017 was \$28,251 (2016: \$139,878 loss). The group donated non-current assets to the value of \$nil (2016: \$nil) to the Toowoomba Regional Council. The consolidated group is exempt from income tax.

A review of the operations of the group during the financial year shows the results of those operations as follows:

- Community Service Obligation subsidies from the Toowoomba Regional Council totalled \$1,015,681 (2016: \$1,003,175) during the financial year.
- Gross income from Productions for the financial year totalled \$442,267 (2016: \$478,889), whilst gross income from Hires and Functions totalled \$1,591,132 (2016: \$1,796,408).
- Hires and Functions generated net income of \$718,837 (2016: \$753,602) during the financial year, whilst Productions incurred net costs of \$41,490 (2016: \$76,831 net costs).

**Events Subsequent to the End of the Reporting Period**

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

**Likely Developments and Expected Results of Operations**

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

**Environmental Regulation**

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

DIRECTORS' REPORT

**Dividends**

No ordinary dividends were paid during the year (2016: \$nil).

**Indemnification of Officers**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the consolidated group.

**Proceedings on Behalf of consolidated group**

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

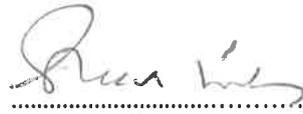
The consolidated group was not a party to any such proceedings during the year.

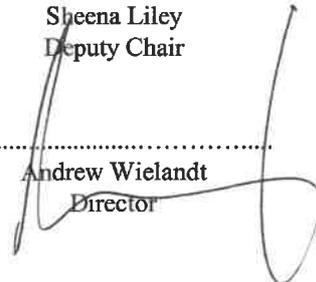
**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

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

25th August 2017  
Toowoomba

  
.....  
Sheena Liley  
Deputy Chair

  
.....  
Andrew Wielandt  
Director

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors' of Empire Theatres Pty Ltd & Controlled Entities

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

*Independence Declaration*

As lead auditor for the audit of Empire Theatres Pty Ltd & Controlled Entities for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



D A STOLZ FCPA  
as Delegate of the Auditor-General



Queensland Audit Office  
Brisbane

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Consolidated		Company	
		2017 \$	2016 \$	2017 \$	2016 \$
<b>Income from Continuing Operations</b>					
Revenue	2	3,209,274	3,296,610	2,752,443	2,961,671
Other revenue	2	<u>1,306,357</u>	<u>1,368,926</u>	<u>1,068,246</u>	<u>1,050,572</u>
<b>Total Income from Continuing Operations</b>		<u>4,515,631</u>	<u>4,665,536</u>	<u>3,820,689</u>	<u>4,012,243</u>
<b>Expenses from Continuing Operations</b>					
Cost of sales		(2,057,888)	(2,136,423)	(1,581,652)	(1,809,168)
Marketing expenses		(255,583)	(256,895)	(249,712)	(250,713)
Occupancy expenses		(420,000)	(420,000)	(420,000)	(420,000)
Administration expenses		(1,099,353)	(986,380)	(925,663)	(871,205)
Buildings maintenance expenses		(487,225)	(469,370)	(487,225)	(469,370)
Donations expense		-	(300,000)	-	-
Other expenses		<u>(223,833)</u>	<u>(236,346)</u>	<u>(148,183)</u>	<u>(142,314)</u>
<b>Total Expenses from Continuing Operations</b>		<u>(4,543,882)</u>	<u>(4,805,414)</u>	<u>(3,812,435)</u>	<u>(3,962,770)</u>
<b>Operating Result for the Year</b>		<u>(28,251)</u>	<u>(139,878)</u>	<u>8,254</u>	<u>49,473</u>
Profit attributable to members of the entity		<u>(28,251)</u>	<u>(139,878)</u>	<u>8,254</u>	<u>49,473</u>
Total comprehensive income attributable to members of the entity		<u>(28,251)</u>	<u>(139,878)</u>	<u>8,254</u>	<u>49,473</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Note	Consolidated		Company	
		2017 \$	2016 \$	2017 \$	2016 \$
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	2,146,041	2,355,702	1,890,382	1,618,100
Trade and other receivables	6 (a)	148,283	113,162	120,823	53,393
Financial Assets		595,000	-	-	-
Inventories		16,952	16,162	16,952	16,162
<b>TOTAL CURRENT ASSETS</b>		<u>2,906,276</u>	<u>2,485,026</u>	<u>2,028,157</u>	<u>1,687,655</u>
<b>NON-CURRENT ASSETS</b>					
Trade and other receivables	6 (b)	-	-	265,184	148,839
Investments	7	-	-	1	1
<b>TOTAL NON-CURRENT ASSETS</b>		<u>-</u>	<u>-</u>	<u>265,185</u>	<u>148,840</u>
<b>TOTAL ASSETS</b>		<u>2,906,276</u>	<u>2,485,026</u>	<u>2,293,342</u>	<u>1,836,495</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	9	1,305,365	903,904	1,286,349	885,796
Short term provisions	10	213,949	182,943	213,949	182,943
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,519,314</u>	<u>1,086,847</u>	<u>1,500,298</u>	<u>1,068,739</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term provisions	10	39,451	22,417	39,451	22,417
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>39,451</u>	<u>22,417</u>	<u>39,451</u>	<u>22,417</u>
<b>TOTAL LIABILITIES</b>		<u>1,558,765</u>	<u>1,109,264</u>	<u>1,539,749</u>	<u>1,091,156</u>
<b>NET ASSETS</b>		<u>\$ 1,347,511</u>	<u>\$ 1,375,762</u>	<u>\$ 753,593</u>	<u>\$ 745,339</u>
<b>EQUITY</b>					
Contributed equity	14	1	1	1	1
Accumulated surplus		1,347,510	1,375,761	753,592	745,338
<b>TOTAL EQUITY</b>		<u>\$ 1,347,511</u>	<u>\$ 1,375,762</u>	<u>\$ 753,593</u>	<u>\$ 745,339</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Contributed Equity	Accumulated surplus	Total
<i>Consolidated</i>				
<b>Balance at 1 July 2015</b>		1	1,515,639	1,515,640
<b>Comprehensive income</b>				
Operating result from continuing operations		-	(139,878)	(139,878)
Other comprehensive income for the year		-	-	-
<b>Total comprehensive income for the year</b>		-	(139,878)	(139,878)
Dividends paid		-	-	-
<b>Balance at 30 June 2016</b>		1	1,375,761	1,375,762
<b>Comprehensive income</b>				
Operating result from continuing operations		-	(28,251)	(28,251)
Other comprehensive income for the year		-	-	-
<b>Total comprehensive income for the year</b>		-	(28,251)	(28,251)
Dividends paid		-	-	-
<b>Balance at 30 June 2017</b>		1	1,347,510	1,347,511
<i>Company</i>				
<b>Balance at 1 July 2015</b>		1	695,865	695,866
<b>Comprehensive income</b>				
Operating result from continuing operations		-	49,473	49,473
Other comprehensive income for the year		-	-	-
<b>Total comprehensive income for the year</b>		-	49,473	49,473
Dividends paid		-	-	-
<b>Balance at 30 June 2016</b>		1	745,338	745,339
<b>Comprehensive income</b>				
Operating result from continuing operations		-	8,254	8,254
Other comprehensive income for the year		-	-	-
<b>Total comprehensive income for the year</b>		-	8,254	8,254
Dividends paid		-	-	-
<b>Balance at 30 June 2017</b>		1	753,592	753,593

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

Note	Consolidated		Company	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	3,915,091	3,713,378	3,187,328	3,240,062
Community service obligations received	1,117,249	1,103,493	1,117,249	1,103,493
Payments to Toowoomba Regional Council	-	(300,000)	-	-
Payments to suppliers and employees	(4,709,681)	(4,969,458)	(4,076,860)	(4,497,210)
Interest received	62,680	53,635	44,565	40,397
Net cash provided by / (used in) operating activities	<u>385,339</u>	<u>(398,953)</u>	<u>272,282</u>	<u>(113,259)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
TRACC building funds received	-	140,000	-	-
Purchase of held-to-maturity investment	<u>(595,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by / (used in) investing activities	<u>(595,000)</u>	<u>140,000</u>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held	- 209,661	(258,953)	272,282	(113,259)
Cash and cash equivalents at the beginning of the financial year	<u>2,355,702</u>	<u>2,614,655</u>	<u>1,618,100</u>	<u>1,731,359</u>
Cash and cash equivalents at the end of the financial year	5 <u>\$ 2,146,041</u>	<u>\$ 2,355,702</u>	<u>\$ 1,890,382</u>	<u>\$ 1,618,100</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

The financial statements cover the consolidated financial statements and notes of Empire Theatres Pty Ltd and the controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Empire Theatres Pty Ltd as an individual parent entity ('Parent Entity').

**Objectives and Principal Activities of the Company**

We aim to be recognised as the focal point for the professional presentation of arts, entertainment and corporate events within the region.

The principal activity of the group is to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with the Toowoomba Regional Council.

**Basis of Preparation**

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

**Going Concern**

The company is dependent upon continued funding from Toowoomba Regional Council to ensure that the entity can continue to operate as a going concern. Toowoomba Regional Council has agreed to provide ongoing financial support to ensure the company can meet its debts as they fall due.

**Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Empire Theatres Pty Ltd at the end of the reporting period. A controlled entity is any entity over which Empire Theatres Pty Ltd has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control of Empire Theatres Foundation is subject to compliance with the Empire Theatres Foundation trust deed.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

**Income Tax**

The group has been advised by the Australian Taxation Office that it is exempt from income tax.

**Note 1: Summary of Significant Accounting Policies**

**(a) Inventories**

Inventories are measured at the lower of cost and net realisable value on the first in first out basis.

**(b) Property, Plant & Equipment**

In accordance with the Operating Agreement between the company and the Toowoomba Regional Council (dated 17th March 2014), all items of non-technical property, plant and equipment valued in excess of \$5,000 vest in the Toowoomba Regional Council. Items of technical property, plant and equipment valued in excess of \$3,000 vest in Toowoomba Regional Council.

All other items of property, plant and equipment are treated as an expense in the year of acquisition.

**(c) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1: Summary of Significant Accounting Policies (continued)**

**(d) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within the borrowings in current liabilities on the statement of financial position.

**(e) Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(f) Employee Benefits**

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance sheet date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

**(g) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred for periods longer than one year is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods (such as merchandise and drinks) is recognised upon delivery of goods to customers.

Revenue from the Rendering of services is recognised when the function has been completed.

Revenue from Productions is recognised when the performance has been completed.

Revenue from Community Service Obligations is recognised on a time proportional basis throughout the year.

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

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

**(h) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

Box Office Prepayments are normally recognised within 14 days of the completion of the performance.

Security Deposits are normally recognised within 14 days from completion of the performance or function.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

**(i) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

**(k) Financial Assets**

Financial assets contain held-to-maturity investments that have fixed maturities greater than three months, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

**(l) Financial Instruments**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Group becomes a party to the contractual provisions to the financial instrument.

**Classification**

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Receivables – held at amortised cost
- Financial Assets – held at amortised cost
- Payables – held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Group does not enter into, or trade with, such instruments for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the group holds no financial assets classified at fair value through profit and loss.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 2: Revenue</b>				
<b>Sales revenue</b>				
Sale of goods	272,929	250,278	272,929	250,278
Rendering of services	2,494,078	2,567,443	2,037,247	2,232,504
Productions	442,267	478,889	442,267	478,889
	<u>3,209,274</u>	<u>3,296,610</u>	<u>2,752,443</u>	<u>2,961,671</u>
<b>Other revenue</b>				
Interest revenue	62,680	53,635	44,565	40,397
Community Service Obligation - Toowoomba Regional Council	1,015,681	1,003,175	1,015,681	1,003,175
Grants and subsidies	25,650	39,105	-	-
Sponsorships	95,480	102,391	-	-
Donations	106,866	170,620	8,000	7,000
	<u>1,306,357</u>	<u>1,368,926</u>	<u>1,068,246</u>	<u>1,050,572</u>
<b>Total Revenue</b>	<u><u>\$ 4,515,631</u></u>	<u><u>\$ 4,665,536</u></u>	<u><u>\$ 3,820,689</u></u>	<u><u>\$ 4,012,243</u></u>
<b>Note 3: Auditor Remuneration</b>				
Remuneration of the auditor	<u><u>\$ 26,060</u></u>	<u><u>\$ 24,500</u></u>	<u><u>\$ 18,060</u></u>	<u><u>\$ 16,500</u></u>

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
**ABN 83 086 482 288**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Consolidated		Company	
	2017	2016	2017	2016
	\$	\$	\$	\$
<b>Note 4: Employee Expenses, Key Management Personnel and Remuneration Expenses</b>				
<b>Employee Benefits</b>				
Wages & Salaries	1,557,950	1,417,972	1,557,950	1,417,972
Annual Leave Expense	67,387	102,986	67,387	102,986
Employer Superannuation Contributions	155,286	145,430	155,286	145,430
Long Service Leave Expense	4,407	-	4,407	-
Other Employee Benefits	42,067	53,494	42,067	53,494
<b>Employee Related Expenses</b>				
Workers' compensation premium	16,490	18,300	16,490	18,300
Payroll tax	46,293	37,666	46,293	37,666
<b>Total</b>	<u>\$ 1,889,881</u>	<u>\$ 1,775,848</u>	<u>\$ 1,889,881</u>	<u>\$ 1,775,848</u>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>

The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a fulltime equivalent basis is:

	28	25		28	25
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**Key Management Personnel**

The totals of remuneration paid to key management personnel (KMP) of the group during the year are as follows:

Short-term employee benefits	<u>541,077</u>	<u>559,060</u>		<u>541,077</u>	<u>559,060</u>
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Short-term employee benefits comprise salaries & wages, superannuation and bonus payments.

The aggregate performance bonuses expensed in respect of all key management personnel are as follows:

\$ 11,100	<u>\$ 39,000</u>		<u>\$ 11,100</u>	<u>\$ 39,000</u>
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**Note 5: Cash and Cash Equivalents**

Cash on hand	6,551	6,551		6,551	6,551
Cash at bank	2,139,490	1,249,151		1,883,831	911,549
Short term deposit	-	1,100,000		-	700,000
	<u>\$ 2,146,041</u>	<u>\$ 2,355,702</u>		<u>\$ 1,890,382</u>	<u>\$ 1,618,100</u>

Short term deposits were invested at an interest rate of 3% for 2016.

**EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

	<b>Consolidated</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Note 6: Trade And Other Receivables</b>				
<u>(a) Current</u>				
Trade receivables	\$ 148,283	\$ 113,162	\$ 120,823	\$ 53,393
<u>(b) Non Current</u>				
Related Parties				
- Empire Theatre Projects Pty Ltd	-	-	265,184	143,855
- Empire Theatre Foundation	-	-	-	4,984
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,184</u>	<u>\$ 148,839</u>
<b>Note 7: Investments</b>				
Empire Theatre Projects Pty Ltd	\$ -	\$ -	\$ 1	\$ 1
This company is a wholly owned subsidiary of Empire Theatres Pty Ltd				
<b>Note 8: Financial Assets</b>				
Held-to-maturity investment	\$ 595,000	\$ -	\$ -	\$ -
Held-to-maturity investments were invested at an interest rate of 2.75%.				
<b>Note 9: Trade and Other Payables - Current</b>				
<b>Unsecured Liabilities</b>				
Trade payables	192,999	138,201	192,999	138,201
Security deposits - hires	142,985	83,679	142,985	83,679
Box office ticket prepayments	652,738	400,580	652,738	400,580
Sundry payables and accrued expenses	201,041	192,432	182,025	174,324
Employee benefits	115,602	89,012	115,602	89,012
	<u>\$ 1,305,365</u>	<u>\$ 903,904</u>	<u>\$ 1,286,349</u>	<u>\$ 885,796</u>
<b>Note 10: Accrued Employee Benefits</b>				
<b>Employee Benefits</b>				
Opening balance at 1 July 2016	205,360	185,366	205,360	185,366
Additional provisions	48,040	19,994	48,040	19,994
Balance at 30 June 2017	<u>\$ 253,400</u>	<u>\$ 205,360</u>	<u>\$ 253,400</u>	<u>\$ 205,360</u>
<u>Analysis of provisions</u>				
Current	213,949	182,943	213,949	182,943
Non-current	39,451	22,417	39,451	22,417
	<u>\$ 253,400</u>	<u>\$ 205,360</u>	<u>\$ 253,400</u>	<u>\$ 205,360</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

Consolidated		Company	
2017	2016	2017	2016
\$	\$	\$	\$

**Note 11: Director's Remuneration**

Remuneration of Directors

Remuneration received or receivable by all Directors of the company from the company or any related party in connection with the management of the company

	\$ 24,500	\$ 23,550	\$ 21,000	\$ 19,800
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The names of Directors who have held office during the financial year:

- Peter Swannell AM (Chairman)
- Sheena Liley (Deputy Chair)
- William Armagnacq
- Melissa Taylor
- Andrew Wielandt
- Janelle Davis
- Mark O'Connell
- John Pearson (appointed 15 August 2016)
- Amanda Tolson (appointed 15 August 2016)

**Note 12: Related Party Transactions**

The company is wholly owned by the Toowoomba Regional Council.  
 Income from transactions with Toowoomba Regional Council is \$1,135,987.  
 Expenses from transactions with Toowoomba Regional Council is \$503,429.  
 Income from transactions with Empire Theatre Projects Pty Ltd is \$629,530.  
 Expenses from transactions with Empire Theatre Projects Pty Ltd is \$508,201.  
 The amount owing by Toowoomba Regional Council at balance date is \$9,837.  
 The amount owing by Empire Theatre Projects Pty Ltd at balance date is \$265,184.

**Note 13: Contingent Liabilities and Contingent Assets**

There were no known material contingent liabilities or contingent assets at balance sheet date.

**Note 14: Contributed Equity**

1 (2016: 1) fully paid ordinary share	\$ 1	\$ 1	\$ 1	\$ 1
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The group has authorised share capital amounting to 1 ordinary share of no par value.

**Note 15: Events After the Reporting Period**

The Directors are not aware of any events after the balance sheet date that will have a material impact on this financial report.

**Note 16: Company Details**

The registered office and principal place of business of the company is:

Empire Theatre  
 56 Neil Street  
 Toowoomba Qld 4350

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITIES  
ABN 83 086 482 288

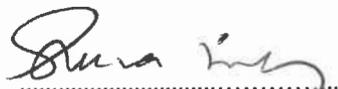
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Empire Theatres Pty Ltd, the Directors declare that:

1. The financial statements and notes, as set out on pages 4 to 14, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards, and the Corporations Regulation 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

25th August 2017  
Toowoomba



.....  
Sheena Liley  
Deputy Chair



.....  
Andrew Wielandt  
Director

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Empire Theatres Pty Ltd & Controlled Entities

#### Report on the audit of the financial report

##### Opinion

I have audited the accompanying financial report of Empire Theatres Pty Ltd (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2017, and their financial performance and cash flows for the year then ended
- b) complies with Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2017, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

##### Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

##### Other information

Other information comprises the information included in the company's director's report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon.

The Directors are responsible for the other information.

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

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

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

### Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the parent's and group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the parent or group or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

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



D.A. STOLIZ FCPA  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane





# EMPIRE THEATRES FOUNDATION

**ABN 69 130 487 365**

**FINANCIAL STATEMENTS  
For the year ended 30 June 2017**

**EMPIRE THEATRES FOUNDATION  
ABN 69 130 487 365**

**Financial Statements  
For the year ended 30 June 2017**

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**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>Income from Continuing Operations</b>			
Revenue	2	<u>168,616</u>	<u>231,097</u>
<b>Total Income from Continuing Operations</b>		<u>168,616</u>	<u>231,097</u>
<b>Expenses from Continuing Operations</b>			
Administration expenses		(25,751)	(17,235)
Bursary expenses		(17,500)	(4,619)
Course expenses		(18,711)	(16,362)
TRC payments		-	(300,000)
Philanthropic distributions		(22,202)	(17,493)
Other expenses		<u>-</u>	<u>(2,502)</u>
<b>Total Expenses from Continuing Operations</b>		<u>(84,164)</u>	<u>(358,211)</u>
<b>Operating Result for the Year</b>		<u>84,452</u>	<u>(127,114)</u>
Operating result attributable to the Foundation		<u>84,452</u>	<u>(127,114)</u>
Total comprehensive income/(expenditure) attributable to the Foundation		<u>84,452</u>	<u>(127,114)</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash assets	7	155,550	679,034
Financial Assets	8	595,000	-
Trade and other receivables	4	<u>25,710</u>	<u>25,100</u>
<b>TOTAL CURRENT ASSETS</b>		<u>776,260</u>	<u>704,134</u>
<b>TOTAL ASSETS</b>		<u>776,260</u>	<u>704,134</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	<u>5,657</u>	<u>17,983</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>5,657</u>	<u>17,983</u>
<b>TOTAL LIABILITIES</b>		<u>5,657</u>	<u>17,983</u>
<b>NET ASSETS</b>		<u>\$ 770,603</u>	<u>\$ 686,151</u>
<b>EQUITY</b>			
Accumulated surplus		<u>770,603</u>	<u>686,151</u>
<b>TOTAL EQUITY</b>		<u>\$ 770,603</u>	<u>\$ 686,151</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Accumulated Surplus \$</b>	<b>Total \$</b>
<b>Balance at 30 June 2015</b>	813,265	813,265
<b>Comprehensive income</b>		
Operating result from continuing operations	(127,114)	(127,114)
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<u>(127,114)</u>	<u>(127,114)</u>
<b>Balance at 30 June 2016</b>	<u>\$ 686,151</u>	<u>\$ 686,151</u>
<b>Comprehensive income</b>		
Operating result from continuing operations	84,452	84,452
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<u>84,452</u>	<u>84,452</u>
<b>Balance at 30 June 2017</b>	<u>\$ 770,603</u>	<u>\$ 770,603</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donations, sponsorships and raffles		148,129	77,918
Receipts from grants		3,300	4,400
Interest received		16,877	11,679
Donations paid		-	(300,000)
Payments for courses, travel and accommodation, hospitality and sponsorships		<u>(96,790)</u>	<u>(52,470)</u>
Net cash provided by / (used in) operating activities		<u>71,516</u>	<u>(258,473)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
TRACC building funds received		-	140,000
Purchase of held-to-maturity investment		<u>(595,000)</u>	<u>-</u>
Net cash provided by / (used in) investing activities		<u>(595,000)</u>	<u>140,000</u>
Net increase / (decrease) in cash held		(523,484)	(118,473)
Cash at the beginning of the financial year		<u>679,034</u>	<u>797,507</u>
Cash at the end of the financial year	7	<u>\$ 155,550</u>	<u>\$ 679,034</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

The financial statements cover the Empire Theatres Foundation as an individual entity.

**Note 1**

**Objectives and Principal Activities of the Foundation**

- 1 Provide performing arts opportunities to further the cultural experiences and professional development of young people nationally with connections to the Toowoomba Region where appropriate;
- 2 Promote the performing arts for the benefit of the local community;
- 3 To preserve and promote the movable cultural heritage associated with the Empire Theatres.

**Basis of Preparation**

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with the Trust Deed as amended 18 April 2016 and Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations. The financial statements are presented in Australian Dollars.

With respect to compliance with Australian Accounting Standards and Interpretations, the Foundation has applied those requirements applicable to not-for-profit entities, as the Foundation is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

**Summary of Significant Accounting Policies**

**(a) Income Tax**

The Foundation has been advised by the Australian Taxation Office that it is exempt from income tax. The Foundation is registered charitable organisation for tax purposes.

**(b) Cash and Cash Equivalents**

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

**(c) Revenue and Other Income**

Interest revenue is recognised when received.

Donation and Sponsorship revenue is recognised when received.

**Armitage Centre (formerly Toowoomba Regional Arts and Community Centre)**

The Foundation supported the construction of the Toowoomba Regional Arts and Community Centre as it met the objectives of the Foundation. Funds raised to support the project are held by the Foundation on behalf of donors and sponsors until the financial obligations of this project are met.

EMPIRE THEATRES FOUNDATION  
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

**(d) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

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

**(e) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Foundation during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

**(f) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**(g) Financial Instruments**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Foundation becomes a party to the contractual provisions to the financial instrument.

**Classification**

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Receivables – held at amortised cost
- Financial Assets – held at amortised cost
- Payables – held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Foundation does not enter into, or trade with, such instruments for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the group holds no financial assets classified at fair value through profit and loss.

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 2: Revenue**

	2017	2016
	\$	\$
<b>Other revenue</b>		
Donations	98,866	163,620
Merchandise	273	207
Sponsorships	49,600	51,591
Grant income	3,000	4,000
Interest	16,877	11,679
<b>Total Revenue</b>	<u>\$ 168,616</u>	<u>\$ 231,097</u>

**Note 3: Auditor Remuneration**

**(a) Expenses:**

Remuneration of the auditor		
- auditing the financial report	\$ 3,500	\$ 2,900

**Note 4: Trade and Other Receivables - current**

Trade receivables	\$ 25,710	\$ 25,100
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**Note 5: Trade and Other Payables**

**Current**

**Unsecured Liabilities**

Trade creditors	-	7,423
Sundry creditors and accruals	5,657	10,560
	<u>\$ 5,657</u>	<u>\$ 17,983</u>

**Note 6: Key Management Personnel**

Remuneration received or receivable by all Trustees of the Foundation.

	\$ 3,500	\$ 3,750
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The names of Trustees who have held office during the financial year:

Mrs Sheena Liley (Chairperson)  
 Dr Kathryn Foy  
 Mrs Janelle Davis  
 Mrs Carol James  
 Mr Matthew Cherry  
 Mr Richard Chiverrell  
 Dr Sharyn Donaldson  
 Mr Benjamin Gouldson

**EMPIRE THEATRES FOUNDATION**  
**ABN 69 130 487 365**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7: Cash and Cash Equivalents</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
- Cash at bank	155,550	279,034
- Short term deposits	-	400,000
	<b>\$ 155,550</b>	<b>\$ 679,034</b>

Short term deposits were invested at an interest rate of 3% for 2016.

**Note 8: Financial Assets**

Held-to-maturity investment	\$ 595,000	\$ -
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Held-to-maturity investments were invested at an interest rate of 2.75%.

**Note 9: Events After the Balance Date**

The Trustees are not aware of any events after the balance date that will have a material impact on this financial report.

**Note 10: Related Party Transactions**

The Foundation's operations are governed by Empire Theatres Pty Ltd, and it is also a controlled entity of Empire Theatres Pty Ltd. Empire Theatres Pty Ltd also controls Empire Theatre Projects Pty Ltd.

The amount owing to Empire Theatres Pty Ltd at balance date is \$nil.  
The amount owing to Empire Theatre Projects Pty Ltd at balance date is \$nil.

**Note 11: Foundation Details**

The principal place of business of the Foundation is:

Empire Theatre  
56 Neil Street  
Toowoomba Qld 4350

TRUSTEES' CERTIFICATE

The Trustees of the Foundation declare that:

1. The financial statements and notes, as set out on pages 1 to 8 present fairly the Foundation's financial position as at 30 June 2017 and its performance for the year ended 30 June 2017 and are in accordance with Empire Theatres Foundation Trust Deed as amended 18 April 2016 and Australian Accounting Standards - Reduced Disclosure Requirements; and
2. In the Trustees' opinion, subject to ongoing financial support from Empire Theatres Pty Ltd, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

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

25th August 2017  
Toowoomba



Sheena Liley  
Chairperson



Matthew Cherry  
Trustee

## INDEPENDENT AUDITOR'S REPORT

To the Trustee and Members of Empire Theatres Foundation

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Empire Theatres Foundation.

In my opinion, the financial report:

- a) gives a true and fair view of Empire Theatres Foundation's financial position as at 30 June 2017, and its financial performance and cash flows for the year then ended
- b) complies with the amended trust deed of Empire Theatres Foundation dated 18 April 2016 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the trustee's certificate.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the Empire Theatres Foundation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

#### Responsibilities of the trustee for the financial report

The trustee is responsible for the preparation of the financial report that gives a true and fair view in accordance with the trust deed of Empire Theatres Foundation as amended on 18 April 2016 and Australian Accounting Standards, and for such internal control as the trustee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The trustee is also responsible for assessing the Empire Theatres Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Empire Theatres Foundation or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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



D.A. STOLZ FCPA  
as delegate of the Auditor-General



Queensland Audit Office  
Brisbane



# EMPIRE THEATRE PROJECTS PTY LTD

**ABN 61 135 705 878**

**FINANCIAL STATEMENTS**  
**For the year ended 30 June 2017**

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**Financial Statements**  
**For the year ended 30 June 2017**

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**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**DIRECTORS' REPORT**

Your Directors present their report on the company for the year ended 30 June 2017:

**Directors**

The names of the directors in office at any time during, or since the end of, the year are:

Peter Swannell AM (Chairman)  
Andrew Wielandt  
Mark O'Connell

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

**Principal Activities**

The company was established to increase the breadth and depth of the community's connection with the performing arts in the Toowoomba Regional Council area.

**Significant Changes in the State of Affairs**

There were no significant changes in the state of affairs of the company during the financial year.

**Review of Operations**

The operating result for the year ended 30 June 2017 was a loss of \$120,957 (2016: \$62,237 loss). The company is exempt from income tax.

A review of the operations of the company during the financial year and the results of those operations are as follows:

- Gross income from box office and entry fees for the financial year totalled \$444,348 (2016: \$327,968).

**Events Subsequent to the End of the Reporting Period**

Since the end of the financial year, no matters or circumstances have arisen which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

**Dividends**

No ordinary dividend was recommended or paid during the year.

**Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**Likely Developments and Expected Results of Operations**

The future operations of the company are expected to relate to the principal activity outlined above.

**Indemnification of Officers**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**Proceedings on Behalf of company**

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

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

**EMPIRE THEATRE PROJECTS PTY LTD**

**ABN 61 135 705 878**

**DIRECTORS' REPORT**

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

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

25th August 2017  
Toowoomba

.....  
Andrew Wielandt  
Director  
  
.....  
Mark O'Connell  
Director

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Empire Theatre Projects Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

*Independence Declaration*

As lead auditor for the audit of Empire Theatre Projects Pty Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

*D. Stolz*

D A STOLZ FCPA  
as Delegate of the Auditor-General



Queensland Audit Office  
Brisbane

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>Income from Continuing Operations</b>			
Revenue	2	456,558	334,732
Other revenue	2	<u>69,768</u>	<u>87,464</u>
<b>Total Income from Continuing Operations</b>		<u>526,326</u>	<u>422,196</u>
<b>Expenses from Continuing Operations</b>			
Cost of sales		(476,236)	(327,255)
Marketing expenses		(5,871)	(6,182)
Administration expenses		(147,939)	(97,940)
Other expenses		<u>(17,237)</u>	<u>(53,056)</u>
<b>Total Expenses from Continuing Operations</b>		<u>(647,283)</u>	<u>(484,433)</u>
<b>Operating Result for the Year</b>		<u>(120,957)</u>	<u>(62,237)</u>
Profit/(loss) attributable to members of the entity		<u>(120,957)</u>	<u>(62,237)</u>
Total comprehensive income/(expenditure) attributable to members of the entity		<u>(120,957)</u>	<u>(62,237)</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	<b>8</b>	100,109	58,568
Trade and other receivables	<b>4</b>	<u>1,750</u>	<u>42,039</u>
<b>TOTAL CURRENT ASSETS</b>		<u>101,859</u>	<u>100,607</u>
<b>TOTAL ASSETS</b>		<u>101,859</u>	<u>100,607</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<b>5 (a)</b>	<u>13,359</u>	<u>12,479</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>13,359</u>	<u>12,479</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	<b>5 (b)</b>	<u>265,184</u>	<u>143,855</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>265,184</u>	<u>143,855</u>
<b>TOTAL LIABILITIES</b>		<u>278,543</u>	<u>156,334</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>(176,684)</u>	<u>(55,727)</u>
<b>EQUITY</b>			
Contributed equity	<b>9</b>	1	1
Accumulated surplus (deficit)		<u>(176,685)</u>	<u>(55,728)</u>
<b>TOTAL EQUITY</b>		<u>(176,684)</u>	<u>(55,727)</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Contributed Equity</b>	<b>Accumulated Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 30 June 2015</b>	<u>1</u>	<u>6,509</u>	<u>6,510</u>
<b>Comprehensive income / (expenditure)</b>			
Operating result from continuing operations	-	(62,237)	(62,237)
Other comprehensive income for the year	-	-	-
<b>Total comprehensive expenditure for the year</b>	<u>-</u>	<u>(62,237)</u>	<u>(62,237)</u>
Dividends paid	-	-	-
<b>Balance at 30 June 2016</b>	<u>1</u>	<u>(55,728)</u>	<u>(55,727)</u>
<b>Comprehensive income</b>			
Operating result from continuing operations	-	(120,957)	(120,957)
Other comprehensive income for the year	-	-	-
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>(120,957)</u>	<u>(120,957)</u>
Dividends paid	-	-	-
<b>Balance at 30 June 2017</b>	<u>1</u>	<u>(176,685)</u>	<u>(176,684)</u>

The accompanying notes form part of these financial statements.

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		568,480	390,997
Payments to suppliers and employees		(528,177)	(419,777)
Interest received		1,238	1,559
Net cash provided by operating activities		41,541	(27,221)
Net increase / (decrease) in cash held		41,541	(27,221)
Cash at the beginning of the financial year		58,568	85,789
Cash at the end of the financial year	<b>8</b>	100,109	58,568

The accompanying notes form part of these financial statements.

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

The financial statements cover the Empire Theatre Projects Pty Ltd as an individual entity.

**Objectives and Principal Activities of the Company**

To provide outstanding Arts experiences in southern regional Queensland contexts whilst maintaining sustainable business practices.

Empire Theatres Pty Ltd established the Projects Company to increase the breadth and depth of the community's connection with the performing arts in the Toowoomba Regional Council area.

**Basis of Preparation**

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

**Going Concern**

The company is dependent upon continued funding from Empire Theatres Pty Ltd to ensure that the entity can continue to operate as a going concern. Empire Theatres Pty Ltd has agreed to provide ongoing financial support to ensure the company can meet its debts as they fall due.

**Income Tax**

The company is wholly owned by Empire Theatres Pty Ltd, which is exempt from income tax. Accordingly, the company is also exempt from income tax.

**Note 1: Summary of Significant Accounting Policies**

**(a) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred for periods longer than a year is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from Box office & entry fees is recognised when the performance has been completed.

Revenue from Fees and services is recognised when the performance has been completed.

Revenue from Grants and subsidies is recognised when the company obtains control of the grant or subsidy or the right to receive the grant or subsidy and it is probable that the economic benefits comprising the grant or subsidy will flow to the company, and the grant or subsidy can be reliably measured.

Revenue from the sale of merchandise is recognised upon delivery of goods to customers.

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

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

EMPIRE THEATRE PROJECTS PTY LTD  
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**Note 1: Summary of Significant Accounting Policies (continued)**

**(b) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within the borrowings in current liabilities on the statement of financial position.

**(c) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

**(d) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: Revenue</b>		
<b>Operating activities</b>		
Box office & entry fee revenue	444,348	327,968
Merchandise sales	12,210	6,764
	456,558	334,732
<b>Other revenue</b>		
Interest	1,238	1,559
Grants and subsidies	22,650	35,105
Sponsorships	45,880	50,800
	69,768	87,464
<b>Total Revenue</b>	<b>526,326</b>	<b>422,196</b>
 <b>Note 3: Auditor Remuneration</b>		
Auditor Remuneration	4,750	4,000
 <b>Note 4: Trade And Other Receivables</b>		
Trade receivables	1,750	42,039
 The company does not have any material credit risk exposure to any single receivable or group of receivables.		
 <b>Note 5: Trade and Other Payables</b>		
<u>(a) Current</u>		
<b>Unsecured Liabilities</b>		
Sundry payables and accrued expenses	13,359	12,479
 <u>(b) Non Current</u>		
<b>Unsecured Liabilities</b>		
Related Party Creditors - Empire Theatres Pty Ltd	265,184	143,855

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
<b>Note 6: Remuneration And Retirement Benefits</b>		
<u>Remuneration of Directors</u>		
There is no remuneration paid to the Directors of the company	-	-
The names of Directors who have held office during the financial year:		
Peter Swannell AM (Chairman)		
Andrew Wielandt		
Mark O'Connell		
<b>Note 7: Contingent Liabilities and Contingent Assets</b>		
There were no known material contingent liabilities or contingent assets at balance date.		
<b>Note 8: Cash and Cash Equivalents</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
- Cash at bank	100,109	58,568
<b>Note 9: Contributed Equity</b>		
1 fully paid ordinary share	1	1
The company has authorised share capital amounting to 1 ordinary share of no par value.		
<b>Note 10: Related Party Transactions</b>		
The company is wholly owned by Empire Theatres Pty Ltd, which in turn is wholly owned by the Toowoomba Regional Council.		
Income from transactions with Empire Theatres Pty Ltd is \$508,201.		
Expenses from transactions with Empire Theatres Pty Ltd is \$629,530.		
The amount owing to Empire Theatres Pty Ltd at balance date is \$265,184.		
The amount owing by Empire Theatres Foundation at balance date is \$nil.		
<b>Note 11: Events After the Reporting Period</b>		
The Directors are not aware of any events after the balance date that will have a material impact on this financial report.		

**EMPIRE THEATRE PROJECTS PTY LTD**  
**ABN 61 135 705 878**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 12: Economic Dependence**

Empire Theatres Pty Ltd is committed to the ongoing support of the company. This ensures that the company is a going concern.

**Note 13: Company Details**

The registered office and principal place of business of the company is:

Empire Theatre  
56 Neil Street  
Toowoomba Qld 4350

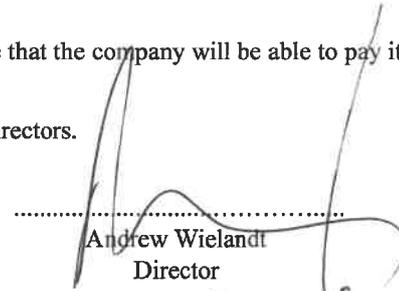
**DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Empire Theatre Projects Pty Ltd, the Directors declare that:

1. The financial statements and notes, as set out on pages 4 to 12, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards, and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the company.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

25th August 2017  
Toowoomba

  
.....  
Andrew Wielandt  
Director

  
.....  
Mark O'Connell  
Director

## INDEPENDENT AUDITOR'S REPORT

To the Members of Empire Theatre Projects Pty Ltd

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Empire Theatre Projects Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2017, and its financial performance and cash flows for the year then ended
- b) complies with Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the 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 report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

#### Other information

Other information comprises the information included in the company's director's report for the year ended 30 June 2017, but does not include the financial report and my auditor's report thereon.

The Directors are responsible for the other information.

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

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

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

### **Responsibilities of the company for the financial report**

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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



D A STOLZ FCPA  
as Delegate of the Auditor-General



Queensland Audit Office  
Brisbane





**ANNUAL GENERAL MEETING**  
MONDAY 16 OCTOBER 2017

56 Neil Street, Toowoomba Qld 4350