

# Annual Financial Report

BANGARRA DANCE THEATRE AUSTRALIA LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
ABN 96 003 814 006

FOR THE YEAR ENDED 31 DECEMBER 2021

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# Directors' Report

The Directors present their report together with the financial report of Bangarra Dance Theatre Australia Limited ("the Company" or "Bangarra") for the year ended 31 December 2021 and the Auditor's report thereon.

## BOARD OF DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

### Phillipa McDermott, Chair

Head of Indigenous Employment & Diversity at the Australian Broadcasting Corporation and a Board Director of the Australian Indigenous Leadership Centre.

Appointed Interim Chair in November 2019 and appointed Chair in April 2020.

Chair of the People Committee since September 2020.

### Joshua Duke

Manager within Deloitte's Finance Consulting Team and a Board Director of YMCA Canberra and Ausdance ACT, Deputy Chair of Young Chartered Accountants Committee for the Canberra region.

Appointed in October 2021.

Member of the Audit, Finance & Risk Committee since October 2021.

### Richard Eccles

Company Director, Consultant and former senior public servant. Director of Copyright Agency Ltd, the Public Interest Journalism Initiative, Epilepsy ACT and the Federal Golf Club.

Appointed in August 2020.

Chair of the Audit, Finance & Risk Committee since January 2021.

Member of the People Committee since September 2020.

### John Harvey

Producer, director and writer working in theatre and film. Company Director of Brown Cabs Productions Pty Ltd.

Appointed in November 2019.

Member of the Audit, Finance & Risk Committee since January 2020.

### Nadine McDonald-Dowd

First Nations Creative Development Officer for Sunshine Coast Council and Board Member of the Aboriginal Art Company.

Appointed in December 2019.

Chair of the Audit, Finance & Risk Committee from January 2020 to April 2020.

### Stephen Page AO

Artistic Director of Bangarra Dance Theatre Australia Ltd and a Director of Djali House Pty Ltd.

Appointed in June 1998.

Member of the Audit, Finance & Risk Committee.

### Lynn Ralph (resigned April 2021)

Has held leadership roles across the public, private and not-for-profit sectors, including Deputy Chairman of the Australian Securities and Investments Commission, CEO of the Financial Services Council and CEO of Sydney Dance Company.

Chair of the Audit, Finance & Risk Committee from April 2020 to January 2021.

### Ian Roberts

Executive Chair of the Annamila First Nations Foundation and a Trustee of the Victorian Arts Centre Trust.

Appointed in August 2020.

Member of the People Committee since September 2020.

### Lissa Twomey

Executive Director of Bangarra Dance Theatre Australia Ltd, Board Member of the Festivals Board, Create NSW, and a Member of the Executive Council of Live Performance Australia.

Appointed in January 2021.



# Directors' Report

## 2021 OPERATING ENVIRONMENT AND RESULT

Continuing pandemic related support from the Federal and NSW State Government in 2021 provided a level of financial stability. The Federal Government, through JobSaver and JobKeeper, contributed an additional \$614k in 2021 (2020: \$1.3m). The NSW Government's Restart funding support of \$750k enabled the NSW regional tour at the start of 2021 and other creative endeavours to proceed. Sydney box office losses were partially offset with subsidy of \$304k from the NSW Government's COVID-19 Relief package. The Federal and Queensland Governments also contributed to the costs of quarantining the Company in Howard Springs which allowed the *SandSong* Brisbane season to proceed. Without this significant non-recurring Federal and State Government support, Bangarra would not have been able to post a surplus in 2021.

The unwavering loyalty of Bangarra's supporters resulted in increased donations and sponsorships over the year, including a donation of \$400k towards the Cultural Care and Pathways Fund which was established in 2020.

The disruption to live performance and the success of our digital connections, in particular the documentary film *Firestarter: The Story of Bangarra* along with *Bangarra's World* (ABC iview) in total reaching an audience of 551,576 in 2021 has highlighted future opportunities for Bangarra to increase engagement and awareness. In order to continue the digital journey accelerated during this pandemic period, Bangarra has established a Film Reserve. The Reserve will support the development of a series of works that will explore and see inside the sacred process of creating a work, observe the raw inspiration and connection with Community that sits at its heart, and the vital role of the people responsible for bringing the creative vision to life.

Whilst net comprehensive income in the year was \$1.2m (2020: \$1.0m), after adjusting for these transfers to the Cultural Care and Pathways Fund and the Film Reserve, the 2021 residual surplus is \$306k.

## OUR MISSION

To create inspiring Aboriginal and Torres Strait Islander experiences that promote awareness and understanding of our cultures.

**The Board of Bangarra Dance Theatre, acknowledges that:**

- The culture of this place we now know as Australia, began before recorded time and continues today
- This culture is the root system of Bangarra Dance Theatre
- It is a culture that is indivisible from the land itself and is and always will be a primary source for contemporary Australian culture that belongs fully to this place
- In pursuit of its constitutional objectives, the Board of Bangarra will always foster and protect Aboriginal and Torres Strait Islander cultures, in order that all people may be culturally sustained and at home in this place

## OUR VALUES

- Reciprocity & Mutual Obligation
- Cultural Exchange & Collaboration
- Kinship
- Cultural Protocols
- Cultural Integrity
- Respect
- Connection & Care for Country
- Resilience

# Directors' Report



## OUR COMPANY GOALS

### The Company's short and long-term objectives are:

- Create inspiring Aboriginal and Torres Strait Islander experiences for all
- Strengthen and maintain meaningful relationships with Communities
- Develop and nurture the Aboriginal and Torres Strait Islander Cultural Leaders of the future
- Realise the opportunities afforded through the redevelopment of the Walsh Bay studios
- Enhance financial sustainability and organisational strength

### The Company's strategy for achieving these objectives in 2021 included:

- Presenting dance theatre productions in capital cities, regional towns and remote locations.
- Committing resources to cultural exchange and on Country experiences with Traditional Owners and Aboriginal and Torres Strait Islander communities.
- Engaging with Cultural Consultants and Cultural Reference Group members to guide the cultural development of new works and to ensure the cultural integrity of the Traditional Knowledge shared.
- Developing Aboriginal and Torres Strait Islander artists and arts practitioners through employment and professional development opportunities.
- Supporting mid-career and senior Dancers with invaluable career development and training opportunities to transition from on-stage careers to a life beyond the stage.
- Conducting workshops and youth programs for Aboriginal and Torres Strait Islander young people.

- Extending Bangarra's profile, reach and engagement across all digital channels, including documentary films, broadcasts of archival productions, and creation of engaging digital and social media content.
- Producing and delivering new online Education learning experiences and resources, expanding overall reach and engagement with the Education sector.
- Securing multi-year partnerships with values aligned trusts, foundations, and corporate and government partners.
- Cultivating Bangarra's family of donors to secure support for the future ongoing sustainability of Bangarra as a unique cultural foundation.
- Maintaining governance and operational excellence.

## KEY PERFORMANCE INDICATORS

The following table sets out performance against KPIs set by the National Performing Arts Partnership Framework. All KPIs were met unless impacted by COVID-19 cancellations and disruptions that were out of management's control.

Mechanism	Measure	2021 Target	2021 Actuals	Impact of COVID-19
<b>Priority 1</b> Address diversity areas with particular reference to audiences and First Nations creatives.				
The Board of Bangarra will always foster and protect Aboriginal and Torres Strait Islander cultures, in order that all people may be culturally sustained	Percentage of Aboriginal and Torres Strait Islander Board members	Minimum 50%	62.5%	n/a
Aboriginal and Torres Strait Islander Community members access Bangarra productions through Community access initiatives	Number of Community and <i>W/lay</i> tickets distributed	3200	1430	1800
Accessibility initiatives enable people living with disabilities to experience Bangarra productions	Number of performances and events accompanied by Auslan interpretation and/or audio description	3	1	2
Aboriginal and/or Torres Strait Islander artistic representation	Number of Aboriginal and/or Torres Strait Islander Artists and Creatives engaged	34	53	n/a
Aboriginal and/or Torres Strait Islander workforce representation	Percentage of Aboriginal and/or Torres Strait Islander employees	Minimum 50%	55%	n/a
<b>Priority 2</b> Commission, develop and present new Australian work that reflects contemporary Australia.				
Investment in new Aboriginal and/or Torres Strait Islander works	Number of new Aboriginal and/or Torres Strait Islander works presented	2	3	1
	Number of new Aboriginal and/or Torres Strait Islander works in development	4	2	0
Number of performances of new Australian works	Number of performances of new Australian works delivered	93	38	58
<b>Priority 3</b> Build capacity in the First Nations dance sector. Collaborate with Partnership organisations and those outside the Framework. Demonstrate leadership on specific dance sector concerns.				
Creative collaborations and partnerships with other arts and cultural organisations	Number of partnerships, projects or initiatives in development and/or delivered	2	6	n/a
Build sector capacity through development pathways for Aboriginal and/or Torres Strait Islander Artists, Creatives, Production and Arts Workers	Number of new Aboriginal and/or Torres Strait Islander Artists, Creatives and Arts Workers supported by the company through mentoring, graduate, scholarship or fellowship program	4	6	n/a
Dancer Further Education Program	Number of mid-senior-level Bangarra dancers funded for professional development	2	2	n/a
<b>Priority 4</b> Improve access and participation in the arts through touring and presenting work nationally, to regional and remote communities, and internationally.				
National Programming	Number of Australian states and territories performed in	5	3	2
Regional, Rural & Remote Programming	Number of regional, rural & remote locations performed in	8	4	7
Community Engagement	Number of Return to Country / On Country	2	1	1
	Number of regional and remote communities engaged with through <i>Rekindling</i> program	9	11	5
	Number of workshops & masterclasses delivered by the touring Ensemble, and Education & Youth Program teams through face-to-face and online engagement	100	82	28
Digital Engagement	Number of people reached via film and digital initiatives	150,000	736,092	0

# Directors' Report

## GOVERNANCE STATEMENT

This statement outlines Bangarra's governance practices and provides a summary of key aspects addressing the Essential Governance Practices for Arts Organisations published by the Australia Council for the Arts (January 2021).

### Vision | Mission

The Board reaffirmed the mission of Bangarra in 2020 and restated the Company's values. The clarity of these has enabled alignment of all actions and decisions in 2021.

A values driven culture extends to every relationship and partnership, and includes a robust approach to managing community and corporate relationships ethically and responsibly.

### Delivering Performance

The Board is committed to traditional Aboriginal & Torres Strait Islander practices of governance which are circular. Circular governance is one of collaboration, in which each individual's role within the collective is valued for the specific contribution that individual makes to the whole.

Board members and management alike have specific roles to perform within this structure. The Board has a charter and management has clear delegation of authority.

The Board also has two committees:

- Audit, Finance and Risk
- People

Each of these committees assists the Board with specified responsibilities that are set out in the Committee Charters as delegated and approved by the Board.

The Board of Directors has an appropriate balance of skills, knowledge, experience, independence and diversity to enable it, as a collective, to effectively discharge its responsibilities. The Constitution states that a minimum of 50% of all Directors shall be Aboriginal or Torres Strait Islander. Currently the Chair and another four Board members identify as First Nations, 62.5% of the Board.

The Board skills matrix informs its composition and new members are fully inducted. Details of the current Directors, their qualifications, skills, experience and tenure are set out on page 3 of this report.

Membership of and attendance at 2021 Board and Committee meetings are detailed on page 8 of this report.

In addition to the six meetings per year, the Board set aside a day annually to specifically look both backwards and forwards. The Board acknowledges Bangarra's solid foundations and seeks to develop the way Bangarra leads, inspires and promotes awareness and understanding of our cultures. The strategic plan and strategy on a page are critical documents against which management report to the Board.

Whilst the pandemic has limited the opportunities for face-to-face connection, the organisation has continued to celebrate achievements with staff and stakeholders.

### Systems

The annual work program of the Board ensures that key documents can be reviewed prior to external consumption and that financial information is presented in a pertinent and timely manner, at least quarterly.

Any changes to the approved annual program of activities are communicated to the Board, with financial and strategic implications, for consideration and approval.

The Board has recently completed a review of policies and procedures. These living documents are scheduled for further consideration within a three year cycle.

The Audit, Finance and Risk Committee advises the Board on any matter that has a significant financial implication to the Company, including the review of annual budgets and quarterly forecasts. It oversees compliance with external reporting requirements and reviews and monitors the internal control and risk management environment.

The People Committee assists the Board in matters relating to the composition, structure and operation of the Board and the Executive Director and Artistic Director. As part of annual budget processes, the Committee oversees recommendations regarding remuneration for staff, as well as managing succession planning. A staff Pulse Survey was conducted in 2021. Focus was given to health, safety and wellbeing to ensure that staff were supported in adapting to the changes of the ongoing COVID-19 environment. A full staff survey is currently being undertaken.

# Directors' Report

## Accountability

The Board ensures the organisation meets the reporting requirements of funding bodies, employment and other legislated responsibilities. A compliance register was fully documented in 2021. The Company's Risk Management Framework and biannual risk review process is currently being evaluated as part of our commitment to continuous improvement.

## Relationships

Relationships and culture are at the very core of Bangarra's values. The Board role model the Company's values and seek continuous improvement. Throughout 2021 the Chair of the Board has conducted Cultural Awareness training across the organisation and recently the Board has engaged a specialist to conduct a Board evaluation.

## MEETINGS OF DIRECTORS HELD DURING THE FINANCIAL YEAR

	Board meetings eligible to attend	Board meetings attended
Phillipa McDermott (Chair)	6	6
Richard Eccles	6	6
Joshua Duke	1	1
John Harvey	6	5
Nadine McDonald-Dowd	6	3
Stephen Page	6	6
Lynn Ralph	1	1
Ian Roberts	6	3
Lissa Twomey	5	5

## AUDIT, FINANCE AND RISK COMMITTEE

Lynn Ralph (Chair from April 2020 - January 2021)

Richard Eccles (Chair from January 2021)

John Harvey (Member from January 2021)

Joshua Duke (Member from October 2021)

Stephen Page

## PEOPLE COMMITTEE

Phillipa McDermott (Chair)

Richard Eccles

Ian Roberts

## COMPANY SECRETARY

Rachel Hadfield



# Directors' Report

## MEMBERS' GUARANTEE

Bangarra Dance Theatre Australia Limited is a public company limited by guarantee. In accordance with the Company's constitution, each member is liable to contribute \$10 in the event that the Company is wound up.

## AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 10 and forms part of the Directors' Report for the year ended 31 December 2021.

This report is made in accordance with a resolution of the Board of Directors of the Company on 14 April 2022.



Chair  
**PHILLIPA MCDERMOTT**



Director  
**RICHARD ECCLES**

Sydney  
14 April 2022



# Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the directors of Bangarra Dance Theatre Australia Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2021 there have been:

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

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Chris Hollis'.

Chris Hollis

Partner

Sydney

14 April 2022

## DIRECTORS' DECLARATION

for the year ended 31 December 2021

In the opinion of the Directors of Bangarra Dance Theatre Australia Limited ("the Company"): Declaration in respect of the Financial Report.

- a) the financial statements and notes that are set out on pages 12 to 27, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - i. giving a true and fair view in all material respects of the Company's financial position as at 31 December 2021 and of its performance, for the financial year ended on that date; and
  - ii. complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become payable.

Declaration in respect of the Fundraising Appeals.

- a) the financial report gives a true and fair view of all income and expenditure of fundraising appeal activities for the financial year ended 31 December 2021;
- b) the balance sheet gives a true and fair view of the state of affairs with respect of fundraising appeal activities as at 31 December 2021;
- c) the provision of the *Charitable Fundraising Act (NSW) 1991*, the Charitable Fundraising Regulation (NSW) 2021 and Regulations and the conditions attached to the authority have been complied with for the financial year ended 31 December 2021; and
- d) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied from fundraising appeals.

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



Director  
**PHILLIPA MCDERMOTT**



Director  
**RICHARD ECCLES**

Sydney  
14 April 2021

**STATEMENT OF COMPREHENSIVE INCOME**

for the year ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Performance income		807,656	242,263
Australia Council MPA core grant	7(b)	2,633,716	2,592,240
Australia Council project funding		263,958	196,882
Create NSW MPA core grant	7(b)	566,806	557,880
Government funding - other		1,716,228	1,586,666
Donations	7(b)	2,405,316	1,665,592
Bequest		-	217,848
Sponsorships	7(b)	468,819	326,017
Activity and services income		266,501	49,303
Financial income	4	267,735	102,046
Other income	5	496,984	11,548
		<b>9,893,719</b>	<b>7,548,285</b>
<b>Expenditure</b>			
Staff expenses	6	5,775,177	5,036,828
Production and touring expenses		1,553,951	605,509
Marketing expenses		551,121	138,208
Development expenses		60,157	27,047
Depreciation and amortisation		322,292	211,910
Occupancy expenses		33,230	54,505
Other expenses		372,212	418,391
Financial expense		19,824	14,440
		<b>8,687,964</b>	<b>6,506,838</b>
<b>Net surplus for the year</b>	7	<b>1,205,755</b>	<b>1,041,447</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>1,205,755</b>	<b>1,041,447</b>

The above Statement of Comprehensive Income should be read in conjunction with accompanying notes 1 to 21

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2021

	Note	2021 \$	2020 \$
<b>Current assets</b>			
Cash and cash equivalents	8	5,176,322	1,733,466
Trade and other receivables	9	20,174	248,043
Prepayments		75,790	55,578
		<u>5,272,286</u>	<u>2,037,087</u>
<b>Non-current assets</b>			
Investments	10	2,722,820	2,548,784
Plant and equipment	12	239,537	228,428
Right-of-use assets	13	3,692,904	3,517,105
		<u>6,655,261</u>	<u>6,294,317</u>
<b>Total assets</b>		<u><b>11,927,547</b></u>	<u><b>8,331,404</b></u>
<b>Current liabilities</b>			
Trade and other payables	14	802,185	215,375
Lease liabilities	13	154,831	139,139
Government grants received in advance		703,251	533,728
Other income received in advance		1,797,247	506,108
Employee benefits	15	678,675	585,155
		<u>4,136,189</u>	<u>1,979,505</u>
<b>Non-current liabilities</b>			
Employee benefits	15	76,148	83,327
Lease liabilities	13	3,620,332	3,379,449
		<u>3,696,480</u>	<u>3,462,776</u>
<b>Total liabilities</b>		<u><b>7,832,669</b></u>	<u><b>5,442,281</b></u>
<b>Net assets</b>		<u><b>4,094,878</b></u>	<u><b>2,889,123</b></u>
<b>Funds</b>			
Accumulated funds	16	2,434,878	1,772,379
Reserves - unrestricted	17	-	76,698
Reserves - restricted	17	1,660,000	1,040,046
		<u>4,094,878</u>	<u>2,889,123</u>
<b>Total funds</b>		<u><b>4,094,878</b></u>	<u><b>2,889,123</b></u>

The above Statement of Financial Position should be read in conjunction with accompanying notes 1 to 21



**STATEMENT OF CHANGES IN FUNDS**

for the year ended 31 December 2021

	Accumulated Funds	General Operating Reserve	Cultural Care and Pathways Fund	Russell Page Graduate Program Reserve	Reserves Incentive Funding Scheme	Film Reserve	Total Funds
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2020</b>	1,111,716	76,698	-	420,000	239,262	-	1,847,676
Surplus for the year	1,041,447	-	-	-	-	-	1,041,447
<b>Total comprehensive income for the year</b>	1,041,447	-	-	-	-	-	1,041,447
Reserve transfers	(380,784)	-	400,000	-	(19,216)	-	-
<b>Balance at 31 December 2020</b>	1,772,379	76,698	400,000	420,000	220,046	-	2,889,123
<b>Balance at 1 January 2021</b>	1,772,379	76,698	400,000	420,000	220,046	-	2,889,123
Surplus for the year	1,205,755	-	-	-	-	-	1,205,755
<b>Total comprehensive income for the year</b>	1,205,755	-	-	-	-	-	1,205,755
Reserve transfers	(603,256)	(76,698)	400,000	-	(220,046)	500,000	-
Utilised	60,000	-	-	(60,000)	-	-	-
<b>Balance at 31 December 2021</b>	2,434,878	-	800,000	360,000	-	500,000	4,094,878

The above Statement of Change in Funds should be read in conjunction with accompanying notes 1 to 21.

**STATEMENT OF CASH FLOWS**

for the year ended 31 December 2021

	Note	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers, government and donors		11,127,984	6,979,822
Payments to suppliers and employees		(7,437,566)	(5,917,849)
	18	3,690,418	1,061,973
<b>Cash flows from investing activities</b>			
Interest and investment income received		134,680	114,892
Payment for investments		(40,982)	(230,476)
Lease payments		(218,525)	(68,459)
Payments for plant and equipment		(122,735)	(113,418)
		(247,562)	(297,461)
<b>Net increase in cash and cash equivalents</b>		<b>3,442,856</b>	<b>764,512</b>
Cash and cash equivalents at the beginning of financial year		1,733,466	968,954
<b>Cash and cash equivalents at the end of financial year</b>	8	<b>5,176,322</b>	<b>1,733,466</b>

The above Statement of Cash Flows should be read in conjunction with accompanying notes 1 to 21

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

## 1. REPORTING ENTITY

Bangarra Dance Theatre Australia Limited ("the Company") is a public company limited by guarantee incorporated and domiciled in Australia. The registered office address of the Company is Gadigal Country, Eora Nation, Wharf 4/5, 15 Hickson Road, Walsh Bay, NSW 2000. The Company is a not-for-profit entity for the purposes of applicable Australian Accounting Standards.

## 2. BASIS OF PREPARATION

### a. Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements were authorised for issue by the Company's Board of Directors on 14 April 2021.

### b. Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical cost, except for investments in financial assets which are measured at fair value.

### c. Functional and presentation currency

The financial statements are presented in Australian Dollars, which is the Company's functional currency.

### d. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results

of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### e. Going Concern

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to pay its debts as and when they become payable for a period of at least 12 months from the date of the financial report.

The Company generated a surplus for the year of \$1,205,755 (2020: \$1,041,447) and at year end had a surplus of net assets of \$4,094,878 (2020: \$2,889,123) and net current assets of \$1,136,097 (2020: \$57,582). The Company generated net cash inflows from operating activities of \$3,690,418 (2020: \$1,061,973). The Company does not have any bank or other external debt.

The Company's Directors have undertaken a thorough assessment of going concern: this review considered the operating budgets and detailed cashflow for the Company for the period 12 months from the date of these financial statements. This assessment includes the ongoing impact of the COVID-19 pandemic which still presents risk to the Company.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### a. Income tax

The Company has been granted charity status by the Australian Taxation Office (ATO) as per subsection 50-5 of the Income Tax Assessment Act 1997. Therefore, the entity is exempt from income tax and accordingly no provision has been made for income tax expenses.

### b. Plant, equipment and leasehold improvements

#### i. Owned Assets

Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and any impairment losses.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount and are recognized in the Statement of Comprehensive Income.

#### ii. Subsequent Costs

The Company recognises in the carrying amount of an item of plant and equipment, the costs of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in the Statement of Comprehensive Income as an expense as incurred.

#### iii. Depreciation

Depreciation is charged to the Statement of Comprehensive Income using the straight-line method over the estimated useful lives of each component of an item of plant and equipment. The estimated useful lives for each class of depreciable assets are as follows:

- Leasehold improvements - 6 to 8 years
- Plant and equipment - 4 to 5 years
- Software - 4 to 5 years

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

### c. Trade and other receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts (impairment losses). Repayment terms vary and are generally between 14 and 30 days with collectability of trade receivables assessed on an ongoing basis. Debts which are known to be uncollectible are written off.

An allowance is made for impairment losses where there is objective evidence that all amounts owing will not be able to be collected.

Loans to employees are measured at fair value estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. The difference between the fair value of the loans at inception and nominal value is recognised as prepaid employee benefits and amortised to surplus or deficit over the period of the loan. The fair value of the loan is accreted to nominal value over the period of the loan by recognising interest income in the surplus or deficit using the effective interest method.

### d. Impairment of Assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss is calculated as the difference between its carrying amount and the present value of the estimated future cash flows.

The carrying amounts of non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated in accordance with the following.

The recoverable amount of non-current assets is the greater of their fair value less costs to sell and value in use. As the future economic benefits of the Company's assets are not

primarily dependent upon their ability to generate net cash inflows and if deprived of the asset, the Company would replace the assets remaining future economic benefits 'value in use' is determined as the depreciated replacement cost of the asset.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the Statement of Comprehensive Income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through surplus or deficit.

An impairment loss is reversed, with the amount of the reversal recognized in surplus or deficit, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### e. Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the ATO to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

#### i. Box office

Box office revenue is recognised in the year in which the performance is given.

#### ii. Sponsorships and government grants in cash

Sponsorships and grants received in cash are brought to account over the year to which the sponsorship agreement or grant relates. If the

sponsorship or grant is for a specific project, then it is brought to account at the time the project occurs.

Any funding not spent on the planned activities agreed by both parties is carried forward to the subsequent year as an advance.

#### iii. Sponsorship in kind

Sponsorships in kind are brought to account as revenue in the year to which the equal and corresponding expense relates. Consequently, the revenue and expenses are recognized in the same accounting year.

#### iv. Interest income

Revenue is recognised as interest accrues using the effective interest rate method.

#### v. Donations and bequests

The Company has been granted Deductible Gift Recipient (DGR) under Subdivision 30-BA of Income Tax Assessment Act 1997 effective from July 2000. Donations and bequests are recognised as revenue when received. A separate bank account is maintained for all the donations received.

### f. Goods and services tax

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognized as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

### g. Trade and other payables

These amounts represent unpaid liabilities for goods received and services provided prior to the end of the financial year. The amounts are unsecured and are normally settled within 30-60 days. Trade and other payables are recognised initially at the invoiced amount. Subsequent to initial recognition they are measured at amortised cost.

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

### **h. Employee benefits**

Employee benefit expenses arising from services rendered by contracted employees including artists are recognised in accordance with the terms of the underlying contracts.

Amounts payable in respect of bonuses and incentives are expensed when the obligation arises.

Contributions made to employee superannuation funds are charged as expenses when incurred.

Provision is made for liabilities arising from services rendered by employees up to balance date. Employee benefits expected to be settled within one year, together with entitlements arising from wages and salaries, annual leave and long service leave which will be settled within one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other 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.

### **i. Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and at the bank, deposits held at call with financial institutions, other short term highly liquid investments with maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change of value.

### **j. Financial instruments**

#### **i. Non-derivative financial assets**

The Company has the following non-derivative financial assets: trade and other receivables and cash and cash equivalents, held to maturity deposits and investments.

The Company initially recognises trade and other receivables, cash and cash equivalents, held to maturity deposits and investments on the date that they originate.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

#### **ii. Non-derivative financial liabilities**

The Company initially recognises financial liabilities on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company has the following non-derivative financial liabilities: trade and other payables.

#### **iii. Offsetting of financial assets and liabilities**

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **k. Fundraising appeals**

The Company holds an authority to fundraise for charitable purposes under the provisions of Section 13A of the NSW Charitable Fundraising Act 1991 and in compliance with the Charitable Fundraising Regulation (NSW) 2021. The details of fundraising appeals conducted are disclosed in Note 18.

### **l. Lease**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for the period of time in exchange of consideration. To assess whether a contract conveys the

right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset, if the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In the rare case where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company adopted the relief under AASB 2019-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities in measuring the right-of-use asset at cost, rather than, fair value with the impact on revenue recognised under AASB 1058.



**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 2021

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined the Company incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in- substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amount expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise,

lease payment in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate or the amount expected to be payable under a residual value guarantee or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is record in statement of comprehensive income if the carrying amount of the right-of- use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment.

The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**m. Changes in accounting policy**

A number of new standards are effective from 1 January 2021 but they do not have a material effect on the Company's financial statements.

Any new or amended Accounting Standards or Interpretations that are not mandatory have not been early adopted.

**4. Financial Income**

Interest and investment income  
Movement in fair value of investments

	2021	2020
	\$	\$
	134,680	114,892
	133,055	(12,846)
	<u>267,735</u>	<u>102,046</u>

**5. Other Income**

MFI development income  
Expense reimbursements received  
Sundry Income

	450,006	-
	32,985	11,398
	13,993	150
	<u>496,984</u>	<u>11,548</u>

**6. Staff Expenses**

Performers wages  
Creative artists wages  
Production and technical wages  
Marketing and development wages  
Management and admin wages  
Allowances and on costs

	1,338,116	1,105,674
	1,235,706	797,180
	946,235	602,671
	835,352	809,865
	650,465	871,182
	769,303	850,256
	<u>5,775,177</u>	<u>5,036,828</u>

**NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

	2021	2020
	\$	\$
<b>7. Net Surplus from Ordinary Activities</b>		
Surplus from ordinary activities has been determined after:		
(a) Expenses		
Depreciation	111,626	122,046
Amortisation	210,666	89,864
Other occupancy expenses	33,230	54,505
Remuneration of Auditor - Audit fee (in kind)	43,109	43,109
Employee expenses	5,775,177	5,036,828
(b) Significant Revenue		
The following significant revenue items are relevant to explaining the financial performance:		
Australia Council Grants		
MPA Core	2,633,716	2,592,240
Playing Australia	23,687	196,882
RISE	190,271	-
Other (Quarantine Assistance)	50,000	-
Create NSW Grants		
MPA Core	566,806	557,880
Performing Arts Touring	-	104,669
Wharf Redevelopment	-	91,208
Restart	750,000	-
COVID-19 Relief	304,689	-
Arts Queensland Grant	15,000	-
Creative Victoria	-	75,038
JobKeeper and JobSaver	614,154	1,215,750
ATO Cash Boost	-	100,000
Sponsorship		
In cash	302,500	225,000
In kind	166,319	101,017
Donation		
Individual	1,454,639	1,202,352
Bequest	-	217,848
Foundation	950,677	463,240

**NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

	2021	2020
	\$	\$
<b>8. Cash and Cash Equivalents</b>		
Cash at Bank	2,687,256	534,243
Term deposits	2,229,541	1,014,541
Investment cash account	259,525	184,682
	5,176,322	1,733,466
<b>9. Trade and Other Receivables</b>		
Trade debtors	19,117	7,700
Advance to staff	1,057	871
Sponsorship receivable	-	75,000
Jobkeeper receivable	-	146,250
GST receivable	-	18,222
	20,174	248,043

**10. Investments**

Investments are managed by Macquarie Wealth Management (Macquarie). Management monitors the performance of the investment portfolio based on market indices. Material investment decisions are approved by the Board via the Audit, Finance and Risk Committee.

Medium term investments will generally be for a term of 1 to 3 years and Long term (Capital Reserve) for 4 to 7 years duration.

The primary goal of the investment strategy is to preserve capital while earning a reasonable return. Management is assisted by Macquarie in this regard. Investment performance is actively monitored as it is measured on a fair value basis.

Total investment with Macquarie is \$2,982,345 as at 31 December 2021, of which \$259,525 is reported in Cash and cash equivalents and \$2,722,820 invested as Managed Funds and Bonds as shown below.

**Non-current investments**

Managed funds	2,076,840	1,690,802
Managed funds - Reserves Incentive Scheme funds	-	220,046
Bonds	645,980	637,936
<b>Total non-current investments</b>	2,722,820	2,548,784

## NOTES TO THE FINANCIAL STATEMENT

for the year ended 31 December 2021

### 10. Investments (continued)

Fair value measurements recognised in the statement of comprehensive income and amounted to \$133,055 in 2021 (refer to note 4).

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments above are classified as Level 1.

### 11. Financial Instruments

Exposure to credit, interest rate and liquidity risks arises in the normal course of the Company's business.

#### **Credit risk:**

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

There is no significant ageing of trade receivables at reporting date.

#### **Liquidity risk:**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company reviews cash flow forecasts formally on a regular basis.

#### **Fair values:**

The carrying values of financial assets and liabilities at fair values.

#### **Interest rate risk:**

The Company's exposure to interest rate risk is set out at Note 9.

**NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

	2021	2020
	\$	\$
<b>12. Plant and Equipment</b>		
Cost opening balance	1,158,462	1,045,044
Additions during the year	122,740	113,418
Diposals during the year	(173,622)	-
Balance at 31 December	<u>1,107,580</u>	<u>1,158,462</u>
Accumulated Depreciation opening balance	(930,034)	(807,988)
Depreciation for the year	(111,626)	(122,046)
Disposals	173,617	-
Plant and Equipment - written down value	<u>239,537</u>	<u>228,428</u>

**13. Leases****Right-of-use assets**

Balance at 1 January	3,517,105	123,245
Additions during the year	386,465	3,483,724
Amortisation for the year	(210,666)	(89,864)
Balance at 31 December	<u>3,692,904</u>	<u>3,517,105</u>

The lease addition in the year relates to the inclusion of CPI increases into the 20 year Wharf lease calculation and a new lease for storage with Create Infrastructure in Lilyfield.

**Lease liabilities included in the statement of financial position**

Current	154,831	139,139
Non-Current	3,620,332	3,379,449
Total lease liabilities	<u>3,775,163</u>	<u>3,518,588</u>

**Amounts recognised in statement of comprehensive income**

Amortisation	210,666	89,864
Interest on lease liabilities	88,636	3,098
Expenses relating to short-term leases	22,086	15,096
Total expenditure	<u>321,388</u>	<u>108,058</u>

**Amounts recognised in statement of cash flows**

Lease payments	218,525	68,459
Total cash outflows	<u>218,525</u>	<u>68,459</u>



**NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

	2021	2020
	\$	\$
<b>14. Trade and Other Payables</b>		
Trade creditors	671,485	201,750
Accruals	130,700	13,625
	<u>802,185</u>	<u>215,375</u>
<b>15. Employee Benefits</b>		
Current		
Provision for annual leave	222,492	150,228
Provision for long service leave	152,069	152,881
Other employee provisions	304,114	282,046
	<u>678,675</u>	<u>585,155</u>
Non-current		
Provision for long service leave	76,148	83,327
	<u>76,148</u>	<u>83,327</u>
<b>16. Accumulated Funds</b>		
Accumulated funds at the beginning of financial year	1,772,379	1,111,716
Net surplus for the year	1,205,755	1,041,447
Add:		
Revaluation of Reserves Incentive Scheme funds	-	19,216
Utilised for Russell Page Graduate Program	60,000	-
Release of General Operating Reserve	76,698	-
Release of Reserves Incentive Scheme funds	220,046	-
Less:		
Transfer to the Cultural Care and Pathways Fund	(400,000)	(400,000)
Transfer to the Film Reserve	(500,000)	-
Accumulated funds at the end of financial year	<u>2,434,878</u>	<u>1,772,379</u>
<b>17. Reserves</b>		
Unrestricted Reserve		
General operating reserve	-	76,698
	<u>-</u>	<u>76,698</u>
Restricted Reserves		
Reserve Incentive Scheme Funds	-	220,046
Cultural Care and Pathways Fund	800,000	400,000
Film Reserve	500,000	-
Russell Page Graduate Program Reserve	420,000	420,000
Less: Utilised For Russell Page Graduate Program Reserve	(60,000)	-
	<u>1,660,000</u>	<u>1,040,046</u>
Total Reserves	<u>1,660,000</u>	<u>1,116,744</u>

## NOTES TO THE FINANCIAL STATEMENT

for the year ended 31 December 2021

### 17. Reserves (continued)

#### General operating reserves

The general operating reserve was established in 2010 to provide for revenue shortfalls that may eventuate in later years. Now that Bangarra has achieved reserves equal to 20% of operating expenses, as recommended by the Australia Council for the Arts, the Board resolved to combine the general operating reserve with accumulated funds in 2021.

#### Reserve Incentive Funding Scheme

The funds received under the Reserve Incentive Funding Scheme Agreement (\$88,000), together with the Company's contribution (\$44,000), were held in escrow for a period of 15 years, which was matured on 2 April 2019. As per the terms and conditions of the Reserve Incentive Funding Scheme Agreement between the Australia Council, Create NSW and the Company, the funds remained restricted until the Company reached 20% of its annual costs as reserves.

This was achieved as at 31 December 2020 and the Company received agreement from the other parties to transfer the funds to unrestricted reserves during 2021.

#### Film Reserve

The Film Reserve has been established by resolution of the Board for Bangarra to begin to create a Trilogy of Digital Works. This digital Songline series will explore stories from urban and remote homelands that have shaped a new cycle of Bangarra's creative expression in the digital space through three productions. Each digital story will allow the viewer to explore and see inside the sacred process of creating a work, observe the raw inspiration that sits at its heart, and the vital role of the people responsible for bringing the creative vision to life.

This reserve is for restricted use by approval of the Board of Directors.

#### Cultural Care and Pathways Fund

The Cultural Care and Pathways Fund has two primary purposes:

- to nurture the company's relationships with Aboriginal and Torres Strait Islander Communities and stories entrusted to us, and
- to support career development and seeding of career opportunities for Aboriginal and Torres Strait Islander people throughout our creative, production, administration and management functions.

This reserve is for restricted use by approval of the Board of Directors.

#### Russell Page Graduate Program Reserve

The Russell Page Graduate Program Reserve was established with a bequest received in 2019. In any ordinary year the Company will utilise \$60,000 towards the provision of a Russell Page graduate placement. In 2020 this was not possible due to the impacts of COVID-19.

**NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

	2021	2020
	\$	\$
<b>18. Reconciliation of Surplus to Net Cash used in Operating Activities</b>		
Surplus before income tax	1,205,755	1,041,447
Adjustment for:		
Interest and investment income received	(134,680)	(114,892)
Movement in fair value of investments	(133,055)	12,846
Depreciation and amortisation	322,292	211,910
Interest expenses	88,636	3,098
Changes in operating assets and liabilities:		
(Increase)/decrease in prepayments	(20,212)	101,957
Increase/(decrease) in trade and other payables	586,810	(35,875)
Increase/(decrease) in income received in advance	1,460,662	(276,799)
Decrease/(increase) in debtors	227,869	(88,601)
Decrease in employee benefits	86,341	206,882
Net cash from operating activities	<u>3,690,418</u>	<u>1,061,973</u>

**19. Results of Fundraising Appeals**

Fundraising appeals (donation only)		
Gross proceeds	2,405,316	1,665,592
Less: direct cost	(247,380)	(225,954)
Net surplus	<u>2,157,936</u>	<u>1,439,638</u>

**20. Related Parties**

The names of each person holding the position of Director of the Bangarra Dance Theatre Australia Limited during the financial year are:

- Joshua Duke (from October 2021)
- Richard Eccles
- John Harvey
- Phillipa McDermott, Chair
- Nadine McDonald-Dowd
- Stephen Page AO
- Lynn Ralph (until April 2021)
- Ian Roberts
- Lissa Twomey

No Director received remuneration for their services as Directors of the Company for which no fee is received. Payments made by the Company to key management personnel, their close family and related parties, including two current Directors, for their contributions as employees of the Company amounted to \$585,222 (2020 \$434,581).

## **NOTES TO THE FINANCIAL STATEMENT**

for the year ended 31 December 2021

### **21. Subsequent Events**

For the Company's 31 December 2021 financial statements, there is no impact on the recognition and measurement of assets and liabilities as a result of COVID-19. Due to the uncertainty of the ongoing COVID-19 outbreak on travel and performance venue attendance, the Company cannot reasonably estimate the impact these events will have on the Company's financial position, results of operations or cash flows in the future.

There have not been any other matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of the affairs of the Company.



# Independent Auditor's Report

To the members of Bangarra Dance Theatre Australia Ltd

## Report on the audit of the Financial Report

### Opinion

We have audited the **Financial Report**, of the Bangarra Dance Theatre Australia Ltd (the Company).

#### **True and fair view**

In our opinion, the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2021, and of its financial performance and its cash flows for the year ended on that date; and

complying with *Australian Accounting Standards – Reduced Disclosure Requirements* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2021;
- ii. Statement of comprehensive income, Statement of changes in funds, and Statement of cash flows for the year then ended;
- iii. Notes including a summary of significant accounting policies; and
- iv. Directors' declaration of the Company





## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

## Other information

Other Information is financial and non-financial information in Bangarra Dance Theatre Australia Ltd's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosures Requirements and the ACNC and ACNCR and section 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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

We also:

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



We communicate with the Directors of the registered Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Chris Hollis'.

Chris Hollis

Partner

Sydney

14 April 2022

**BANGARRA DANCE  
THEATRE AUSTRALIA**

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