



DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023

The Directors of Brisbane Powerhouse Pty Ltd (the Company) and its subsidiary the Brisbane Powerhouse Foundation (the Foundation) together referred to as 'the Group' present their report for the year ended 30 June 2023 and the auditor's report therein.

Directors

The names of each person who has been a Director of Brisbane Powerhouse Pty Ltd during the year and to the date of this report are:

Libby Anstis BBusComm

Libby Anstis is an experienced Chief Executive and Non-Executive Director with high level skills in leadership, strategy, advocacy and operations in Queensland's iconic arts and cultural organisations. She has had more than twenty years' experience in the performing arts industry with a variety of executive roles at Queensland Theatre, Queensland Symphony Orchestra, Brisbane Festival and Centenary of Federation Queensland. Current and former board positions include Business South Bank, SunPAC, the Conservatorium Advisory Board, Fraser Coast Tourism and Events, Camerata – Queensland's Chamber Orchestra and various funding assessment panels for state and federal governments. She provides strategic and management consultancy services to the arts and cultural sectors, as well as coaching and mentoring to various arts organisations.

Emma Fredericks AICD ACA BCom

Emma Fredericks has a 25 year career in accounting and legal professional services firms including EY and CGW Lawyers. She currently consults and serves on advisory boards, finance audit and risk subcommittees and board roles. Her areas of expertise include business development, relationship management, revenue growth, partnering, sponsorship, access to funding, internal and external audit, corporate finance specifically acquisitions, due diligence, project feasibility, financial modelling, capital raisings, valuations and property due diligence transactions across a wide variety of business and industry. Emma has completed the AICD course and has expertise and skills in corporate governance framework, values driven culture, understanding business risks and risk management, setting strategic direction and monitoring execution and performance.

Luke Furness BCom, LLB, LLM

Luke Furness a lawyer (Special Counsel) in the Commercial Litigation team at Clayton Utz. He is a Non-Executive Director of Community Canteen Co Ltd, not for profit organisation supported by Communify which provides health meals to local community members who are homeless or at risk of homelessness. He is also the former CEO and non-director of Out for Australia, a national LGBTQIA+ student mentoring not for profit. In his time at Out for Australia, Luke was involved in pairing over 1000 students with volunteer mentors, who supported students to transition into the workforce. He has previously been on the board of the UQ Law Alumni Association. Luke has contributed to a number of publications and interviews for ABC Radio, the Australian Financial Review, Lawyers Weekly, and Wellness Daily. He is also a regular presenter on diversity and inclusion in the workplace and has spoken at major functions for Brisbane City Council, Suncorp, Commonwealth Bank, National Australia Bank, Aurecon, and Aurizon. He was a keynote speaker at the TEDxUQ conference in 2021 where he presented on the topic "Who am I: How to work it out for yourself."

**Valmay Hill AICD BEc (Chair)**

Valmay Hill has executive experience across a variety of sectors in publicly listed and not for profit companies, as well as government agencies. In the cultural sector, her experience includes positions as CEO of Queensland Symphony Orchestra (2021 to 2022), CEO of Brisbane Festival (2010 to 2018) and as Project Director of large scale international events for Sydney Opera House. Her commercial experience includes as Treasurer for TNT Worldwide, an extended period with Esso Australia including five years with Exxon in the United States culminating as Treasurer in Australia, and as a consultant on acquisitions and strategic management. She is currently a Board Director of the Queensland Museum Network and Queensland Symphony Orchestra, and Chair of the Queensland Conservatorium Griffith University Advisory Board. Her move from the commercial to the cultural sector was motivated by her desire to combine her passion for the performing arts with her commercial experience.

Toni Janke B BA/LLB, Grad Cert Min

Toni Janke is a Wuthathi and Meriam woman from North Queensland. Best known as a singer/songwriter, Toni has written and recorded four original albums through her independent music label, Toni Janke Productions. She has won national awards for her music since releasing her first EP Hearts Speak Out and has performed at many festivals and events across Australia. She has a passion for sharing culture through music and the arts. Toni is a consultant, qualified coach, mentor NLP Practitioner and has served on various Boards and Committees in Indigenous Affairs. Toni works with various corporate, government and community organisations to showcase the wide range of First Nations talent, across various industries and sectors including arts, media, music, family and community services. Toni was Chief Executive Officer of the National Indigenous Media Association of Australia and served as a board member to the National Aboriginal and Islander Skills Development Association, Australia Council for the Arts - Indigenous Music Advisory Committee, Queensland Indigenous Arts Marketing and Export Agency and The Healing Foundation. She was the Coordinator of the Festival of the Dreaming, Sydney Olympic Games and Coordinator of Survival Indigenous Arts Music Festival, La Perouse Sydney, now Yabun Indigenous Music Festival, Sydney. Toni has also previously worked as the National Indigenous Coordinator for the Media Arts and Entertainment Alliance and as a Ministerial Adviser with the Federal Government, Parliament House, Canberra.

Hayley Johnson AMusA LTCL BAMus BAMusTheatre (WAAPA) MAICD – resigned 31 December 2022

Hayley Johnson (nee Power) has recently began working for the family business, as Learning and Development Logistics Coordinator for the BMD Group. Prior to that, has enjoyed a varied career as a musical theatre/cabaret performer, teacher and musical director throughout Brisbane, Sydney, Melbourne, Osaka, Atlantic City and New York City. Combining her family background in business with her career contacts, Hayley initiated the involvement of The BMD Group and PowerArts as major sponsors, investors and coproducers for theatrical pursuits. Since 2007, PowerArts has evolved into an investment and production organisation that focuses on up and coming artists and performing arts projects. They have been proudly associated with several award winning organisations including The Michael Cassel Group, the Gordon Frost Organisation, Opera Australia, The Hayes Theatre, Sydney Theatre Company, State Theatre Company of South Australia, The Queensland Ballet, Australasian Dance Collective, La Boîte, Brisbane Festival, QPAC and Zen Zen Zo. Currently, Hayley also proudly sits on the Management Committee for QMusic.



Catherine Michael BA (Journalism), Grad Dip PR (Dist), MAICD

Catherine Michael created CM Ink, a strategic communications and marketing consultancy, after a 20 year career helping iconic international and national brands grow with her practical, creative but commercial approach. She provides frank advice, based on experience and insight, on all areas of marketing and corporate affairs to boards, shareholders and senior management in both small to large, public and private companies. CM Ink is 'boutique' in size but not in nous, as Catherine has held senior and director level in-house roles with the Foster's Group, Golden Casket Lotteries, Triumph International, Mincom, Nintendo, Kmart Australia and The Body Shop. Consulting clients have included 7-Eleven, Energex, EY, Technology One, Merlo Coffee, Gotzinger Smallgoods, Lady Gowrie, Telstra, Clubs Queensland, AVEO, Dominos, Business South Bank, Food Bank, Multicultural Australia and the Catholic Archdiocese of Brisbane.

Penny Shield BAMus BCom FCA CIA GAICD (Chair of Finance, Audit and Risk Management Committee)

Penny Shield is a Partner in EY's consulting practice. She has been with EY for 20 years and in public practice for over 24 years. She has deep risk, governance, internal audit and controls experience in multinational, corporate and government environments. She has degrees in Commerce and Arts, is a Fellow of the Institute of Chartered Accountants, a Certified Internal Auditor, and a Certified Six Sigma Green Belt (process improvement). She is passionate about using her skills to contribute to the community through involvement at board level, particularly in the arts and sport.

Company Secretary

Jacasta Herron BCom ACA GAICD, Business Services Director was appointed Company Secretary on 15 December 2021.

Board Meetings

Name	Date Appointed	Board Meetings	
		A (Attended)	B (Eligible to Attend)
L Anstis	25/11/2013	7	8
E Fredericks	30/05/2019	8	8
L Furness	30/03/2023	3	4
V Hill	03/08/2020	8	8
T Janke	30/03/2023	3	4
H Johnson (resigned Dec 2022)	25/11/2013	1	3
C Michael	30/05/2017	8	8
P Shield	16/02/2021	7	8



Board Committees

Finance, Audit and Risk Management Committee:

The objective of the Finance, Audit and Risk Management Committee is to assist the Board to exercise due care, diligence and skill in relation to the Group's financial management and to support the effectiveness of the internal and external audit functions.

Name	Finance, Audit and Risk Management Committee Meetings	
	A (Attended)	B (Eligible to Attend)
E Fredericks	5	6
V Hill	6	6
C Michael	6	6
P Shield	6	6

Principal Activities

The objects of the Group are:

- a. To lead arts practice and innovation in arts practice in Brisbane and Australia;
- b. To promote, encourage, produce and present artistic programs, including performing and visual arts, with a repertoire that is local, national and international;
- c. To provide an environment that:
 - i. invites people to gather, to experience the performing arts and to engage with each other;
 - ii. is an integral part of the fabric of public life and the experience of growing up in Brisbane;
 - iii. symbolises Brisbane's cultural achievements and reputation;
 - iv. is the hub of an expanding community, cultural, recreational and educational precinct;
 - v. is a state of the art technical production facility; and
 - vi. maximises public enjoyment of the arts by complementing the experience of the performing arts with visual arts, learning, socialising and dining.
- d. To achieve the objects in a financially and environmentally sustainable manner.

There were no changes in the nature of these activities during the course of the financial year.

Operating Results

The operating result of the Group for the financial year ended 30 June 2023 was a surplus of \$50,831 (2022: surplus of \$58,673).

Review of Operations

The Board and Management reviewed and updated its Strategic Plan as summarised.



STRATEGIC PLAN (2023-2028)

VISION: Open Minds through the Arts.

MISSION: Deliver compelling contemporary arts and culture for all.

VALUES:

RESPECTFUL

We treat everyone with kindness and consider our impact.

GUTSY

We encourage curiosity and dare to ask, "What if?" We take audiences by surprise and never stay still for long.

INVENTIVE

We're adaptive and resourceful. We push the limits of what can be done and are guided by creativity and innovation.

COLLABORATIVE

We work together to make great things happen.

GOALS:

GOAL 1	HOME OF ARTS & CULTURE We are a leader of contemporary arts and culture reflecting the diverse voices and rich heritage of our community.
	<ol style="list-style-type: none"> 1. Prioritise First Nations arts practice in our programs. 2. Curate exceptional arts programs that connect with broad and diverse audiences and artists, including LGBTQIA+ and those of all abilities, with authentic voices guiding its creation and presentation. 3. Commission and present new work and support the development of artistic practice. 4. Increase investment in our arts and culture programs through diverse and sustainable income streams. 5. Provide respect and fair pay, or approved industry standard profit-share arrangements/model, for artists and creative workers.
GOAL 2	ATTRACTOR We are a must-see destination in Brisbane for arts and culture night and day.
	<ol style="list-style-type: none"> 1. Deliver unexpected art and culture experiences for diverse audiences and visitors. 2. Be the venue of choice for artists and visitors by delivering exceptional service and contemporary facilities. 3. Deliver facilities and programs that are accessible to all. 4. Attract First Nations peoples to visit, work and engage with Brisbane Powerhouse through an organisation-wide First Nations-led strategy. 5. Become the must-see precinct for tourists and locals through 'always on' programs, experiences as well as quality restaurants, bars and culturally-aligned tenancies.
GOAL 3	COLLABORATOR We deliver exceptional arts and cultural experiences through strategic partnerships.
	<ol style="list-style-type: none"> 1. Build ongoing relationships with First Nations peoples through a First Nations-led engagement strategy.



	<ol style="list-style-type: none"> 2. Enhance strategic partnerships with Brisbane City Council and all levels of government, business, industry, tenants, educational institutions and the community. 3. Develop strategic partnerships with cultural organisations and commercial producers to deliver exceptional arts experiences. 4. Collaborate and support the local arts community through commissioning, presenting and providing co-designed professional development opportunities to local artists and artists. 5. Expand our circle of allies, advocates and givers through presenting consistent quality programs and regular engagement. 6. Be amongst the decision makers when it comes to developing the city's arts and culture strategy in the lead up to the Olympics.
GOAL 4	SUSTAINABLE We run a thriving sustainable arts business that is safe, ethical and treads lightly on the earth.
	<ol style="list-style-type: none"> 1. Ensure a safe space for all through embedding OHWS best practice and a culture of respect and continuous improvement. 2. Strengthen and diversify sustainable income streams to enable investment in our arts and culture programs. 3. Ensure accuracy, accountability and efficiency through investment in people, systems, infrastructure and technology. 4. Deliver an environmentally sustainable business of net zero emissions and zero landfill. 5. Maintain ethical business practice through clear policy. 6. Be a workplace of choice for talented people from diverse backgrounds by cultivating workplace culture based on our values, competitive remuneration and opportunity. 7. Develop and deliver an infrastructure renewal plan for the Brisbane Powerhouse precinct.

ACHIEVEMENTS

In 2022/2023 Brisbane Powerhouse celebrated some outstanding achievements with the realisation of several exciting new projects, festivals and events. Brisbane City Council's unwavering support played a significant role in contributing to this success at Brisbane Powerhouse.

After two difficult years of COVID-19 lockdowns, 2022/2023 was Brisbane Powerhouse's busiest year on record. Selling 156,303 tickets, surpassing the previous record of 125,403 tickets sold in 2019, Brisbane Powerhouse presented a strong program of quality performances and events.

The number of venue hire bookings as part of Brisbane Powerhouse's commercial hire program has increased with borders reopening, international touring returning and the impact of the pandemic declining. As Brisbane Powerhouse's renewed brand awareness has grown, so has its capacity to attract new promoters and production companies. This has led to collaborations with new partners.

Through its curated Arts Program, Brisbane Powerhouse has begun to establish an innovative line up of contemporary work with an initial focus on contemporary music. This has attracted new audiences, particularly younger people, who have not previously attended events at Brisbane Powerhouse. The expansion of the music program has been supported by the introduction of a new flat floor operating mode for the Powerhouse Theatre. After negotiations with engineers and surveyors, this new theatre mode enables an increased audience capacity of up to 1,300 people (standing and seated) from the previous seated capacity of 690. This increased show capacity has resulted in new commercial hire enquiries and new audiences due to the wider range of artists Brisbane Powerhouse can now present.



This mode has proven successful with sold out performances of major artists as part of Melt, OHM Festival of Other Music and several stand-alone events.

The contemporary music program has been developed through a series of new partnerships with national presenters including City Recital Hall (Sydney) and Melbourne Recital Centre alongside contemporary music touring agents. As the program builds over the coming years, the aim is to simultaneously increase and diversify this audience while adding theatre and dance to the Arts Program offering.

Brisbane Powerhouse – Achievements in Brief

- 726,000 visitors to the precinct (2022/23), up from 512,000 visitors to the precinct (2021/22)
- 156,000 tickets sold (2022/23), up from 100,000 tickets sold (2021/22)
- \$7.1 million worth of tickets sold (2022/23), up from \$4.76 million (2021/22)
- 1,514 performances/sessions, with Kaleidoscope (2022/23), up from 687 performances (2021/22)
- Eight Brisbane Powerhouse Presents (BPHP) visual arts exhibitions attracting 166,000 visitors (2022/23), up from three visual arts exhibitions attracting 19,000 visitors (2021/22)
- \$1 million spent on artists fees (2022/23), up from \$525,000 (2021/22)
- 19,000 guests attended 348 events (2022/23), up from 14,000 guests attending 300 events (2021/22)

Major Outdoor Projects

In 2021/2022 Brisbane Powerhouse secured funding of \$400,000 from the Australian Government's RISE Fund as well as \$1.07m in startup funds from Brisbane City Council for a new series of ongoing Major Outdoor Projects including the Pleasuredome, a major temporary public art installation *Kaleidoscope*, deluxe Outdoor Cinema, Vertical Restaurant (announced in 2023/2024), and a new biannual food and art festival held during Autumn and Spring known as Night Feast. Several of these major projects opened in 2022/2023.

- **Kaleidoscope**
A major public artwork *Kaleidoscope* by artist/producer Keith Courtney was installed and opened on the Performance lawn on 11 August 2022 for an eight week season. This captivating art project resonated strongly with the community, drawing a total attendance of 28,450 people.
- **Pleasuredome**
Pleasuredome, a new semi-permanent venue, opened on 15 November 2022. It features a generous 350-seat performance space and a community area, aiming to serve the city's diverse cultural needs. During the reporting period, the Pleasuredome was utilised for a range of events and functions. These included the Saturday morning Powerhouse Farmers Market, Night Feast, Brisbane Comedy Festival, Melt Festival of Queer Arts, music performances, as well as corporate events and functions.
- **Night Feast: Autumn**
Food, art and music proved the ultimate dining companions with a record 125,000 visitors attending the inaugural Night Feast at Brisbane Powerhouse from 1 to 26 March 2023.

This new riverside art and feasting experience invited diners to sample signature dishes from some of Brisbane's top chefs accompanied by live music and site specific art. An estimated 101,000 orders were placed at Night Feast's gourmet village of 20 pop up restaurants and bars. Eight playful and immersive art installations engaged visitors with a further 8,000 music lovers settling in to hear some of Queensland's most talented artists.



The month long culinary celebration was a sustainability success story: using only compostable or recyclable packaging for meals and beverages, washing 24,000 glasses for reuse and employing specialists to hand sort rubbish onsite to divert 6,600kg of organic matter from landfill.

Night Feast created a direct economic impact of \$6.54 million in terms of direct jobs, food and beverage sales and event expenditure. The event was an employment driver for Brisbane, creating jobs for 39 artists and over 150 Night Feast workers ranging from arts administrators and production crew to food and beverage staff, cleaners and security officers.

Presenting Partner American Express Australia welcomed more than 3,300 Card Members and guests to the American Express Garden Lounge.

Night Feast is produced by Brisbane Powerhouse with the support of Brisbane City Council, presented by American Express and supported by Technical Partner Optus, goa, My Village News, Ovolo Hotels and The Weekend Edition. Night Feast returns in Spring from 4 to 29 October 2023.

- **Outdoor Cinema**

In 2022/2023 Brisbane Powerhouse made progress in developing a new Outdoor Cinema concept for the city. The cinema is set to open in Spring 2023.

Fairfax Studio

Throughout January/February 2023 builders transformed the old rehearsal room under the Powerhouse Theatre into a new exhibition and flexible performance space to be known as the Fairfax Studio. Through the generous support of Tim and Gina Fairfax this space will provide free art, exhibitions, and installations to the community. The introduction of the first dedicated gallery space at Brisbane Powerhouse has had a significant impact on the organisation's capacity to curate visual and multi-arts exhibitions within the venue. The space was opened with *Material Concerns* by Zimoun, a Swiss artist, composer and musician known for his sound sculptures, sound architectures and installation art. The work appeared as part of 2023 premiering festivals ΩHM and Night Feast.

ΩHM Festival of Other Music

Throughout February to April 2023 Brisbane Powerhouse premiered ΩHM a new festival of adventurous music featuring kinetic sculpture, ambient music, cross cultural metal and pop icons. Curated by Lawrence English and Brad Spolding, ΩHM's program attracted new audiences to experience Brisbane Powerhouse in unexpected ways.

The festival was staged throughout the building including the Powerhouse Theatre in both standard seated mode and new flat floor standing mode; Fairfax Studio; Turbine Platform; and Underground Theatre. Rinuwats Indonesian gamelan death metal in the Underground sat alongside the iconic artist Peaches riding the crowd in the Powerhouse Theatre. Crowds emerged from theatre venues to listen to the repetition of kinetic artist Zimoun's work in the new Fairfax Studio.

The inaugural ΩHM program included 12 shows, 15 new works (five new Queensland works), 27 acts and 79 artists (35 international, 13 Australian, 31 local). Artists hailed from Melbourne, London, Jakarta, Baltimore, Montreal, Los Angeles, Auckland, Berlin and Brisbane. The festival attracted strong ticket sales and attendances to the free exhibition program featuring new works by artists such as Robin Fox for both Night Feast and ΩHM. These works were also included as part of the Night Feast program.

Brisbane Powerhouse welcomed new sponsors Crumpler and Ovolo as Festival partners.



MELT Festival

MELT Festival, Brisbane Powerhouse's celebration of queer art, artists, allies, icons, and ideas, returned to Brisbane Powerhouse from 10 to 27 November 2022.

The program included major international acts and Queensland exclusives of English pop royalty Sophie Ellis Bextor of *Murder on the Dancefloor* fame, London DJ Jodie Harsh, cult hip hop artist and Beyoncé collaborator Big Freedia, dancehall sister duo Kinder and new-gen rappers Jesswar and JessB.

Acclaimed disrupters Polytoxic presented a world premiere cabaret work, *In Your Dreams*, featuring a lineup of fiercely intersectional Queensland artists. *Cher*, an inspired mashup of gender, power and pop culture by Larissa McGowan, married contemporary dance with cabaret in a solo tour de force. Brendan Maclean performed his solo show, *Alone At Last!* and *MELT Comedy Gala* returned featuring queer comedy legends and fresh faces, hosted by Brisbane's Mel Buttle. The iconic *Queerstories* saw another strong lineup of LGBTQIA+ storytellers including Brisbane raised Benjamin Law. *It's Called Achilles*, a solo contemporary dance work performed by Michael Smith with live accompaniment from composer Felix Sampson was a festival highlight.

The Chapel of Love, devised by Queensland company The Good Room, took over Brisbane Powerhouse's Turbine Platform with a purpose built chapel; a petal strewn fever dream that drew its inspiration from ancient altars, Dolly Parton, Hallmark schmaltz and Vegas neon. Proud Yuwi, Torres Strait and South Sea Islander man and MELT artist-in-residence Dylan Mooney staked his claim on Brisbane Powerhouse with his trademark powerful and prideful style. Moving image artwork *FAWN* by experimental arts collaborative APHIDS connected characters from popular culture with everyday people who have the lived experience of losing a parent.

In a further showcase of Queensland artists, Pleasuredome opened with an in conversation with Shane Jenek – aka Courtney Act – discussing his heartfelt memoir, *Caught In The Act*. Also in the Pleasuredome, cabaret verbatim hit *Lesbian Love Stories* returned with its tales from across the globe, told anonymously through song, speech and prose. The fabulous free social events of the season, LGBTQIA+ *Elders Dance Club* hosted by All the Queens Men and Backbone Youth Arts' *Revel in the Queer*, proved an extravaganza of queer culture and identity for the young and young at heart.

Brisbane Comedy Festival

Brisbane Comedy Festival was again one of Brisbane's most well attended festivals. Smashing box office records, the 2023 Festival attracted 71,000 attendances to 345 performances across five weeks. Curated by Phoebe Meredith, Brisbane Comedy Festival presented 110 shows of diversity across Brisbane Powerhouse, The Tivoli and The Fortitude Music Hall where the famed Opening Gala again sold out.

Highlights of the 2023 program included the return of international artists (20% of the program) with several making their Brisbane debut. Much loved Australian artists were a feature of the program with the return of Tripod to Brisbane after seven years; The Umbilical Brothers in their Festival debut; and two theatrical seasons produced by Brisbane based companies, *Dirty Fame Flash Candles Club* and *Two Man Tarantino*.

First Nations Engagement

The first meeting of Brisbane Powerhouse's First Nations Advisory Committee was held on 22 November 2022. It was chaired by Toni Janke with inaugural members Angelina Hurley and Jungaji Brady – see biographies below. QUT/Brisbane Powerhouse Wandima Fellow Nicole Reilly attended the first meeting. Toni Janke was subsequently appointed a Board Director of Brisbane Powerhouse in the reporting period. First Nations Advisory Committee members are as follows:

Toni Janke (biography noted previously)

**Angelina Hurley**

For more than 20 years, Ms Hurley has worked in Indigenous Arts, Education and Community Cultural Development. She is an emerging writer who was awarded the Australian-American Fulbright Commission's Indigenous Scholarship in 2011 and is currently working on a Doctoral study entitled *Pointing the Funny Bone: Blak Comedy and Aboriginal Cultural Perspectives on Humour*.

Jungaji Brady

Jungaji is a song man and one of the few remaining fluent Gugu Yalanji speakers among Australia's First Nations. He documents the stories of his people through art, theatre, music and storytelling and is passionate about preserving these traditions for future generations. Jungaji is also Chair of the Dhadjowa Foundation, a national organisation that supports Aboriginal and Torres Strait Islander families whose loved ones have died in custody, and an advocate for those with the chronic autoimmune disease, lupus.

Wandima Fellowship

On 18 July 2022 the winner of the Wandima Fellowship was announced. The Wandima Fellowship (*wandima* is a Jagera word meaning rising or going upward) provides an outstanding First Nations Australian creative practitioner with a supported program of professional development, work experience and/or professional mentoring for up to one year. The fellowship was awarded to Nicole Reilly, a proudly queer Wiradyuri woman. Nicole Reilly is a creative producer, director, performer, teaching artist and former Artistic Director of Zen Zen Zo.

As the Wandima Fellow for twelve months, Brisbane Powerhouse has supported Nicole as she researches and creatively develops a new work that investigates language, movement and country.

The Wandima Fellowship is supported through a partnership between Queensland University of Technology (QUT) and Brisbane Powerhouse.

Melt OPEN

In 2022/2023 Brisbane Powerhouse was successful in securing three year funding from Tourism Events Queensland (TEQ) and Brisbane Economic Development Agency (BEDA) to develop an annual 'open access' festival of Queer arts (LGBTQIA+) to be staged across central Brisbane (New Farm, Fortitude Valley, Newstead, Brisbane CBD, Woolloongabba and West End). Known as Melt OPEN the Festival will launch in 2023/2024 and premiere in November 2024.

Powerkids

For the past seven years, Brisbane Powerhouse has been grateful to BMD, a generous supporter of Powerkids, Brisbane Powerhouse's free weekly children's program. On 22 June 2022 Powerkids concluded its successful run, having engaged 64,000 children and their families in over 300 free art workshops.

Following Powerkids, Circa piloted a new program specifically designed for children under five. Starting in Term 4, 2022 the program, called *Circa Storytime* was held in the Stores Building. This project is a partnership with the State Library of Queensland, which contributes books related to the program through their *Stories for Little Queenslanders* series.

Powerhouse Store (P.S.) and Concierge Desk/Box Office

On 29 September 2022 Brisbane Powerhouse opened a new gift store on premises and online as well as a large new concierge desk/box office located in the centre of the building. Powerhouse Store, or P.S. for short, is a postscript to a visit to the Brisbane Powerhouse. Featuring handmade objects and utilitarian design pieces, P.S. showcases a selection of beautiful and functional items from considered brands around the world.

P.S. includes exclusive designers, premium materials, and small batch collections that you won't find anywhere else.



From alluring fragrances to wearable pieces, premium quality kids' products to artisanal homewares, every maker has a story. The profit from every purchase supports Brisbane Powerhouse activities.

Designed by Alexander Lotersztain Studio, P.S. has been shortlisted for an Australian Interior Design Award in the category of Retail Design.

Powerhouse Farmers Markets

After a tender process, the Jan Powers Farmers Markets (JPFM) was reappointed to operate the Saturday morning markets at Brisbane Powerhouse. The event has been renamed the Powerhouse Farmers Markets.

New Website/Visual Identity

Brisbane Powerhouse launched the organisation's new website on 1 March 2023 to align with the opening of Night Feast. Developed by Standing By, the website features the visual identity of Brisbane Powerhouse's new brand including artwork, style guide, design mark and tone of voice. The visual identity incorporates integrated references to Brisbane City Council's role as key shareholder. This visual identity will be implemented across all Brisbane Powerhouse assets including printed collateral, advertising, communications channels and wayfinding over the coming months.

Ticketek Reappointed

After an organisational review, Brisbane Powerhouse appointed incumbent ticketing agency Ticketek for a further five years.

Sustainability

Sustainability is an important consideration for Brisbane Powerhouse.

Night Feast: Autumn was Brisbane Powerhouse's biggest sustainability success story with a commitment to allow only compostable or recyclable packaging on site; washing 24,000 glasses throughout the event for reuse; and employing specialists to hand sort rubbish onsite to divert 6,600 kg of organic matter from landfill.

Brisbane Powerhouse will continue to pursue sustainability across its network, working on recycling with tenants, and improving energy efficiency throughout the building. Solar panels are already in place with planning to increase the number of panels.

Challenges

Brisbane Powerhouse's greatest current challenges are managing rising costs (particularly electricity), shortage of contractors, specifically building trades, and a competitive labour market.

Brisbane Powerhouse has secured funding through grants, sponsorships, new business ventures, ticket sales, and other revenue streams. However, the organisation is grappling with the challenge of keeping up with escalating costs and their effects on core business operations. Like many businesses, Brisbane Powerhouse also contends with economic uncertainty and the impact of rising living costs on ticket sales.

Amidst the significant growth in activity, Brisbane Powerhouse is proactively addressing challenges related to updating operating systems, software, hardware (ICT), modernising capital infrastructure, and expanding office accommodation to better serve its increasing demands.

Brisbane Powerhouse acknowledges the hard work of its Board of Directors, team and tenants with special thanks to its sponsors, donors and stakeholders, particularly Brisbane City Council for its ongoing support.

**Significant Changes in the State of Affairs**

In the opinion of the Directors, there were no significant changes in the situation of the Group that occurred during the financial year under review not otherwise disclosed in this report.

After Balance Date Events

There has not arisen, in the interval between the end of the financial year and the date of the report, any item, transaction, or event of a material and unusual nature that in the opinion of the Directors is likely to substantially affect the operations of the Group, the results of those operations, or the Group's state of affairs in future financial years.

Future Developments

The Group will continue to carry on the principal activities noted above.

Environmental Regulations

The Group's operations are subject to environmental regulations under both Commonwealth and State legislation. The Group aims to achieve a high standard in environmental matters. The Directors have not received notification nor are they aware of any breaches of environmental laws by the Group.

Auditor's independence declaration

The auditor's declaration of independence is set out on page 13 and forms part of the Directors' Report.

Indemnification and Insurance of Officers and Auditors

A Directors' and Officers' liability insurance policy covers Board Directors, Company Secretary, and senior executives of the Brisbane Powerhouse Group. The insurance relates to costs and expenses incurred by the relevant Officers in defending proceedings whether civil or criminal and whatever the outcome. It also relates to other liabilities that may arise from their position, except for conduct involving wilful breach of duty or improper use of information or position to gain a personal advantage.

Signed in accordance with a resolution of the Directors.

On behalf of the Board.

Valmay Hill
Chair Brisbane Powerhouse Pty Ltd
28 September 2023
Brisbane

Penny Shield
Director Brisbane Powerhouse Pty Ltd
28 September 2023
Brisbane

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Brisbane Powerhouse 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 Brisbane Powerhouse Pty Ltd for the financial year ended 30 June 2023, 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
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Michael Claydon
as delegate of the Auditor-General

5 October 2023

Queensland Audit Office
Brisbane


FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023
STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE

	Note	Consolidated		Company	
		2023	2022	2023	2022
		\$	\$	\$	\$
REVENUE					
Grants and contributions	3(a)	5,505,908	3,818,601	4,927,602	3,656,051
Interest revenue		153,304	21,844	132,903	19,268
Program revenue	3(b)	3,205,793	2,469,467	1,897,254	1,812,865
Rendering of services	3(c)	5,774,573	3,822,981	5,932,340	3,936,242
Sponsorship and donations	3(d)	1,428,495	1,137,588	1,255,627	954,633
Operating revenue		16,068,073	11,270,481	14,145,726	10,379,059
COVID-19 concessions	3(e)	-	146,937	-	146,937
Total revenue		16,068,073	11,417,418	14,145,726	10,525,996
EXPENSES					
Advertising and promotion	4(a)	502,348	346,801	502,348	346,801
Administration and information technology	4(b)	902,411	802,529	897,068	797,449
Artists fees and production costs	4(c)	2,965,982	2,066,320	1,050,422	1,226,714
Building repairs and maintenance	4(d)	1,344,392	1,057,256	1,344,392	1,057,256
Cost of rendering services	4(e)	2,234,967	1,153,675	2,234,967	1,153,675
Sponsorship/grant/donation costs		30,965	30,003	30,965	30,003
Theatre operations		173,467	155,320	173,467	155,320
Employee benefits expense	4(f)	6,892,625	4,961,041	6,892,625	4,961,041
Depreciation and amortisation	4(g)	970,085	785,800	970,085	785,800
Total expenses		16,017,242	11,358,745	14,096,339	10,514,059
TOTAL COMPREHENSIVE INCOME FOR THE YEAR					
		50,831	58,673	49,387	11,937

The above statements should be read in conjunction with the notes and summary of significant accounting policies.


STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	Consolidated		Company	
		2023	2022	2023	2022
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	5	3,243,638	3,469,062	2,551,609	2,400,644
Receivables	6	671,898	327,604	1,006,071	355,262
Inventories	7	76,954	14,707	76,954	14,707
Other assets	8	180,273	1,948,340	122,161	1,895,435
Total current assets		4,172,763	5,759,713	3,756,795	4,666,048
NON-CURRENT ASSETS					
Plant and equipment	9	2,592,517	1,233,624	2,592,517	1,233,624
Intangibles	10	6,007	14,869	6,007	14,869
Right of use asset	15	10,769,054	10,609,929	10,769,054	10,609,929
Total non-current assets		13,367,578	11,858,422	13,367,578	11,858,422
Total Assets		17,540,341	17,618,135	17,124,373	16,524,470
CURRENT LIABILITIES					
Employee benefits	12	373,472	265,858	373,472	265,858
Payables	11	1,603,475	1,069,865	1,742,263	1,018,713
Deferred income	16	2,307,856	3,336,299	2,119,188	2,658,430
Lease liability	15	406,508	376,102	406,508	376,102
Total current liabilities		4,691,311	5,048,124	4,641,431	4,319,103
NON-CURRENT LIABILITIES					
Employee benefits	12	62,765	54,105	62,765	54,105
Lease liability	15	10,641,715	10,422,186	10,641,715	10,422,186
Total non-current liabilities		10,704,480	10,476,291	10,704,480	10,476,291
Total liabilities		15,395,791	15,524,415	15,345,911	14,795,394
NET ASSETS		2,144,550	2,093,720	1,778,462	1,729,076
EQUITY					
Share capital		300,001	300,001	300,001	300,001
Unitholder interest	10	-	10	-	-
Accumulated surplus		1,844,539	1,793,709	1,478,461	1,429,075
Total equity		2,144,550	2,093,720	1,778,462	1,729,076

The above statements should be read in conjunction with the notes and summary of significant accounting policies.


STATEMENTS OF CHANGES IN EQUITY
Consolidated

For the year ended 30 June 2023	Share capital \$	Unit holder \$	Accumulated surplus \$	Total \$
Opening balance	300,001	10	1,793,709	2,093,720
Comprehensive income for year			50,831	50,831
Closing balance	300,001	10	1,844,539	2,144,550

For the year ended 30 June 2022	Share capital \$	Unit holder \$	Accumulated surplus \$	Total \$
Opening balance	300,001	10	1,735,036	2,035,047
Comprehensive income for year			58,673	58,673
Closing balance	300,001	10	1,793,709	2,093,720

Company

For the year ended 30 June 2023	Share capital \$	Accumulated surplus \$	Total \$
Opening balance	300,001	1,429,075	1,729,076
Comprehensive income for year		49,387	49,387
Closing balance	300,001	1,478,462	1,778,463

For the year ended 30 June 2022	Share capital \$	Accumulated surplus \$	Total \$
Opening balance	300,001	1,417,137	1,717,138
Comprehensive income for year		11,937	11,937
Closing balance	300,001	1,429,075	1,729,076

The above statements should be read in conjunction with the notes and summary of significant accounting policies.


STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from					
Grants		4,380,094	5,709,081	4,282,094	4,915,775
Program revenue		2,681,333	1,497,064	1,410,401	1,032,502
Rendering of goods and services		5,376,422	3,974,824	5,351,422	3,974,824
Sponsorship and donations		706,470	458,348	533,602	275,393
Interest revenue		149,642	16,747	129,378	14,784
Payments to suppliers and employees		(13,064,411)	(9,928,039)	(11,100,959)	(9,208,949)
Net cash inflow (outflow) for operating activities	14	229,550	1,728,025	605,938	1,004,329
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment	9	(1,830,613)	(577,386)	(1,830,613)	(577,386)
(Deposit) / withdrawal of term deposits	8	1,600,000	(1,000,000)	1,600,000	(1,000,000)
Net cash inflow (outflow) for investing activities		(230,613)	(1,577,386)	(230,613)	(1,577,386)
CASH FLOWS FROM FINANCING ACTIVITIES					
Lease Payments	4	(224,360)	(126,447)	(224,360)	(126,447)
Net cash inflow (outflow) for financing activities		(224,360)	(126,447)	(224,360)	(126,447)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS					
Cash and cash equivalents at the beginning of the year		(225,424)	1,024,192	150,965	300,496
		3,469,062	2,444,870	2,400,644	2,100,148
Cash and cash equivalents at the end of the year	5	3,243,638	3,469,062	2,551,609	2,400,644

The above statements should be read in conjunction with the notes and summary of significant accounting policies.



Notes to and forming part of the financial statements

1. Corporate information

Brisbane Powerhouse Pty Ltd (the Company) is an Australian proprietary company, incorporated and domiciled in Australia and a wholly owned subsidiary of Brisbane City Council. Brisbane Powerhouse Pty Ltd is a not for profit entity under the terms of its Constitution. Brisbane Powerhouse Foundation (the Foundation) is a charitable trust and therefore a not for profit entity as well as a subsidiary of Brisbane Powerhouse Pty Ltd.

The consolidated financial statements of the Group comprising the Company and its subsidiary the Foundation (together referred to as the Group) for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors of Brisbane Powerhouse Pty Ltd on 28 September 2023.

2. Summary of accounting policies

a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

The financial statements have been prepared on an accrual's basis and, except as stated, in accordance with the principles of historical cost. The financial statements are presented in Australian dollars rounded to the nearest dollar, consequently rounded balances in the notes may not agree exactly to the primary statements. Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

The consolidated financial statements include the value of all assets, liabilities, equity, revenues and expenses of the Company and its subsidiaries. In the process of reporting on the Group as a single economic entity, all transactions, and balances internal to the economic entity have been eliminated and accounting policies have been applied consistently.

b) Statement of compliance

The financial report complies with Australian Accounting Standards. An assessment of revised and new accounting standards has been made. The Group has chosen not to early adopt Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

The Company adopted all standards which became effective for annual reporting periods beginning on 1 July 2022, none of the standards had a material impact on reported position, performance and cash flows.

c) Estimates and judgements

The preparation of the financial statements requires the determination and use of certain critical accounting estimates and management assumptions that have potential to cause a material adjustment to the carrying amount of assets and liabilities within the financial year. Such estimates, judgements and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following accounting policies and subsequent notes:

Employee benefits provisions (note 12)

Financial instruments (note 13)

d) Revenue

Grants, donations and contributions

Where the revenue agreement is enforceable and contains sufficiently specific performance obligations, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied. Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding.

**Rendering of services**

Revenue from sales of goods and services comprise revenue earned from functions, ticketing services and tenants. Functions and ticketing services are arranged in advance. Revenue is not recognised until completion of the event as revenue cannot be accurately determined in advance.

Sponsorship revenue

Sponsorship revenue is brought to account as income over the period that the Group fulfils the obligations of the sponsorship agreement. Sponsorship which is in kind in nature represents benefits derived by the Group for marketing, production costs and administration. In kind benefits are recognised in the financial report at their estimated fair market value at the time of consumption.

Interest revenue

Interest revenue is recognised as it accrues, considering the effective yield on the financial asset.

Program revenue

Program revenue is recognised upon the final performance of the production for which the tickets have been sold.

e) Expenses

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category, they have been allocated to activities on a basis consistent with use of the resources.

Sponsorship and donation costs are those incurred in seeking voluntary contributions by sponsorship or donation and do not include costs of disseminating information relating to the activities carried on by the Group. Administration and information costs are those incurred in connection with administration of the Group and compliance with constitutional and statutory requirements.

f) Cash and cash equivalents

Cash and cash equivalents in the Statements of Financial Position and Cash Flow Statements comprise cash at bank and in hand and short term deposits with a maturity of three months or less.

g) Receivables

Receivables, which comprise amounts due from the rendering of services, are recognised and carried at original invoice amount less an allowance for impairment. Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses and incorporates reasonable and supportable forward looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment. Brisbane Powerhouse has identified four distinctive groupings of its receivables: Tenancy in Arrears; Past Events; Past Productions; and Future Production Deposits. In the case of venue hire and functions the service may not be provided for several months, and payment will not be due until closer to the event. On 30 June, amounts categorised as deferred income were split between amounts received and those yet to be received. Amounts not received as at balance date were reversed at 30 June for reporting purposes only. Normal terms of settlement are 30 days. The collectability of debts is assessed on an ongoing basis. All known bad debts are written off at year end. If an amount is recovered in a subsequent period, it is recognised as revenue.

h) Inventories

Inventories are valued at the lower of cost and net realisable value. The net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs to sell. Costs are assigned on a weighted average basis after deducting any settlement discounts and supplier rebates, including delivery expenses incurred in bringing the inventories to their present location and condition.

i) Other assets

Prepayments represent payments for items with a life of twelve months or less. Prepayments are expensed monthly over the life of the asset. Production costs are payments made for the development of productions which will be presented in the next twelve months. Once the production has been presented the costs are expensed.

j) Plant and equipment and intangible assets

Acquisitions of plant and equipment and intangible assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. Fair value means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.



Plant and equipment and intangible assets are stated at cost less accumulated depreciation/amortisation and impairment. Any plant and equipment donated to the Group is recognised at fair value at the date the Group obtains control over the asset. The non-current asset capitalisation threshold is \$5,000. Non-current assets already capitalised are maintained and depreciated at the appropriate rate until the end of their useful lives.

Depreciation and amortisation

Items of plant and equipment are depreciated over their useful lives to the Group. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Plant and equipment	2 to 20 years
Information technology	2 to 10 years

Intangible assets are amortised over their useful lives to the Group. Amortisation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Software (other than SaaS)	3 to 5 years
Website and graphic development	5 years

The recoverable amounts of the Group's plant and equipment and intangible assets are calculated as the depreciated replacement cost of the asset.

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.

k) Payables

Payables are recognised as a liability at the time the amount owed can be measured reliably and when it is probable the amount will have to be paid, when the goods are received, or the service is performed. Liabilities are usually settled in 30 days. The amount of payables is deemed to reflect fair value.

l) Deferred income

Deferred income is income from reciprocal grants, donations and contributions that have sufficiently specific performance obligations that are due to be fulfilled in the future. Deferred income is also the unutilised amounts of theatre hire, ticket sales and functions revenue received for services on the condition that specified services are delivered. Deferred income is recognised when the event or services which the advance payments relate to have been completed. This usually occurs within 12 months of receipt of the monies. At 30 June, amounts categorised as deferred income were split between amounts received and those yet to be received. Amounts not received as at balance date were reversed at 30 June for reporting purposes only.

m) Financial assets and financial liabilities

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. The Group has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (Note 5)
Receivables – measured at amortised cost (Note 6)
Other assets (Note 8)

Financial liabilities

Payables – measured at amortised cost (Note 11)
Lease liabilities (Note 15)

Financial assets and financial liabilities are presented separately from each other, and offsetting has not been applied.

The fair value of cash and cash equivalents and financial liabilities approximate their carrying amount and are not disclosed separately. The fair value of trade receivables approximates the amortised cost less any impairment. The Group does not recognise financial assets or financial liabilities at fair value in the statement of comprehensive income. All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 13.



n) Employee benefits

Annual leave

Liabilities for annual leave represent the amount which the Group has a present obligation to pay resulting from employees' services provided up to the balance date. The liability has been calculated at undiscounted amounts based on future wage and salary rates which are expected to be paid when the liability is settled and includes related on costs.

Long service leave

The liability for long service leave is measured as the discounted expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. The rate used to discount post employment benefit obligations is determined by reference to market yields at the reporting date on high quality bonds. Employee benefit on costs, including payroll tax and superannuation, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Superannuation

The Company pays contributions to certain defined contribution superannuation plans. Contributions are recognised in the statement of comprehensive income when they are due.

o) Leases

Right-of-use asset

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

Lease liabilities

Lease liabilities are initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statements of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

The Group has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets.

p) Taxation

Income tax

The Company is a wholly owned subsidiary of the Brisbane City Council, incorporated for art and cultural purposes in the city of Brisbane. Local government subsidiaries are exempt from income tax due to the provisions of the *Income Tax Assessment Act 1997*.

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 which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office are classified as operating cash flows.

The Foundation provided GST Free Ticket Sales for every season of performances that meets the requirements under paragraph 38-250(2)(b)(ii) of the *A New Tax System (Goods and Services Tax) Act 1999*. The calculation for each season of performances is made in accordance with the Australian Taxation Office methodology provided in the 'Summary of GST Treatment of Supplies by organisations in the cultural and performing arts sector'.



3. Revenue

The net result for the year has been determined after including the following items of revenue:

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Operating revenue				
a) Grants				
BCC operational funding	3,529,200	3,472,296	3,529,200	3,472,296
Other grants and contributions	1,976,708	346,305	1,398,402	183,755
Total Grants	5,505,908	3,818,601	4,927,602	3,656,051
Interest	153,304	21,844	132,903	19,268
b) Program revenue				
Brisbane Powerhouse Presents shows	1,308,540	656,602	-	-
Box office	472,721	520,571	472,721	520,571
Marketing	66,772	62,176	66,772	62,176
Production	475,211	363,343	475,211	363,343
Sponsored theatre hire	388,781	570,751	388,781	570,751
Theatre hire	493,768	296,024	493,769	296,024
Total Program revenue	3,205,793	2,469,467	1,897,254	1,812,865
c) Rendering of goods and services				
Events	1,809,158	1,072,351	1,809,158	1,072,351
Tenant rentals	1,535,614	1,259,328	1,535,614	1,259,328
Ticketing	1,061,442	1,009,647	1,244,209	1,122,908
Other	1,368,359	481,655	1,343,359	481,655
Total Rendering of good and services	5,774,573	3,822,981	5,932,340	3,936,242
d) Sponsorship and donations				
Individual donors	172,868	182,955	-	-
In-kind sponsorships	722,025	679,240	722,025	679,240
Sponsorships	533,602	275,393	533,602	275,393
Total Sponsorship and donations	1,428,495	1,137,588	1,255,627	954,633
Total Operating revenue	16,068,073	11,270,481	14,145,726	10,379,059
COVID-19 concessions	-	146,937	-	146,937
Total revenue	16,068,073	11,417,418	14,145,726	10,525,996



4. Expenses

The net result for the year has been determined after including the following items of expenses.

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
a) Advertising and promotion				
Marketing	266,552	142,208	266,552	142,208
Sponsorship	235,796	204,593	235,796	204,593
Total Advertising and promotion	502,348	346,801	502,348	346,801
b) Administration and information				
External auditor remuneration - QAO	30,500	29,000	25,500	24,200
Insurance	72,000	67,279	72,000	67,279
Loss on disposal of assets	-	7,173	-	7,173
Information technology and telephone	120,571	256,202	120,571	256,202
Sponsorships	95,567	29,521	95,567	29,521
Human resource and employee costs	75,325	23,595	75,325	23,595
Interest expenses – right of use asset / lease	224,360	218,876	224,360	218,876
Other	284,088	170,883	283,745	170,603
Total Administration and information	902,411	802,529	897,068	797,449
c) Artists fees and production costs				
Artist fees	1,020,475	525,025	-	-
Brisbane Powerhouse Presents adjustments	-	(152,063)	-	(152,063)
Production costs	1,166,064	677,481	270,979	362,900
Sponsored theatre hire	388,781	570,752	388,781	570,752
Sponsorship	390,662	445,125	390,662	445,125
Total Artists fees and production costs	2,965,982	2,066,320	1,050,422	1,226,714
d) Building repairs and maintenance				
Building repairs	134,600	76,499	134,600	76,499
Maintenance and managed assets	405,952	506,684	405,952	506,684
Outgoings	803,840	474,073	803,840	474,073
Total Building repairs and maintenance	1,344,392	1,057,256	1,344,392	1,057,256
e) Cost of rendering goods and services				
Events	1,069,127	575,182	1,069,127	575,182
Tenant rentals	229,313	175,259	229,313	175,259
Ticketing	417,150	312,464	417,150	312,464
Other	519,377	90,770	519,377	90,770
Total Cost of rendering services	2,234,967	1,153,675	2,234,967	1,153,675
Sponsorship/grant/donation	30,965	30,003	30,965	30,003
Theatre operations	173,467	155,320	173,467	155,320
f) Employee benefits expense				
Wages and salaries	5,944,137	4,323,849	5,944,137	4,323,849
Workers compensation insurance and payroll tax	369,136	235,369	369,136	235,369
Defined contribution superannuation plan expense	579,352	401,823	579,352	401,823
Total Employee benefits expenses	6,892,625	4,961,041	6,892,625	4,961,041


4. Expenses (continued)

	Note	Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
g) Depreciation and amortisation					
Property, plant and equipment	9	471,721	309,409	471,721	309,409
Intangible assets	10	8,862	15,090	8,862	15,090
Right of use assets	15	489,502	461,301	489,502	461,301
Total Depreciation and amortisation		970,085	785,800	970,085	785,800
Total Expenses		16,017,242	11,358,745	14,096,339	10,514,059

		Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
5. Cash and cash equivalents					
Cash at bank and in hand		3,243,638	3,469,062	2,551,609	2,400,644
Total Cash and cash equivalents		3,243,638	3,469,062	2,551,609	2,400,644

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the Group's cash requirements. These deposits earn interest at prevailing market rates.

		Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
6. Receivables					
Trade debtors		372,474	307,661	707,687	336,108
Other debtors		338,549	62,713	337,509	61,924
Less: Allowance for impairment loss		(39,125)	(42,770)	(39,125)	(42,770)
Total Receivables		671,898	327,604	1,006,071	355,262

		Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
7. Inventories					
Merchandise		76,954	14,707	76,954	14,707
Total Inventories		76,954	14,707	76,954	14,707

		Consolidated		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
8. Other assets					
Prepayments		36,551	29,644	36,551	29,644
Prepaid production development costs		143,722	318,696	85,610	265,791
Short-term deposits > 3 months		-	1,600,000	-	1,600,000
Total Other assets		180,273	1,948,340	122,161	1,895,435


9. Plant and Equipment

Consolidated and Company For the year ended 30 June 2023	Plant & Equipment \$	Information Technology \$	Total \$
Balance at beginning of period	3,438,927	170,030	3,608,957
Acquisitions	1,790,067	40,548	1,830,615
Less disposals	-	-	-
Closing balance at end of period	5,228,994	210,578	5,439,572
Less current year depreciation	(461,635)	(10,086)	(471,721)
Less accumulated depreciation	(2,208,177)	(167,156)	(2,375,332)
Written down value at end of period	2,559,182	33,335	2,592,517

Consolidated and Company For the year ended 30 June 2022	\$	\$	\$
Balance at beginning of period	3,032,446	167,797	3,200,243
Acquisitions	575,153	2,233	577,386
Less disposals	(168,672)	-	(168,672)
Closing balance at end of period	3,438,927	170,030	3,608,957
Less current year depreciation	(309,119)	(290)	(309,409)
Less accumulated depreciation	(1,899,058)	(166,866)	(2,065,924)
Written down value at end of period	1,230,750	2,874	1,233,624

10. Intangibles

Consolidated and Company For the year ended 30 June 2023	Software \$	Website & Graphic Development \$	Total \$
Balance at beginning of period	114,949	106,785	221,734
Acquisitions	-	-	-
Less disposals	-	-	-
Closing balance at end of period	114,949	106,785	221,734
Less current year amortisation	(2,438)	(6,424)	(8,862)
Less accumulated amortisation	(111,793)	(95,072)	(206,865)
Written down value at end of period	718	5,289	6,007

Consolidated and Company For the year ended 30 June 2022	\$	\$	\$
Balance at beginning of period	271,445	106,785	378,230
Acquisitions	-	-	-
Less disposals	(156,496)	-	(156,496)
Closing balance at end of period	114,949	106,785	221,734
Less current year amortisation	(7,733)	(7,357)	(15,090)
Less accumulated amortisation	(104,061)	(87,715)	(191,776)
Written down value at end of period	3,155	11,713	14,869



	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
11. Payables				
Trade creditors	978,828	486,800	1,064,042	470,905
Accrued expenses	369,464	222,004	359,059	202,470
GST payable	28,272	183,699	92,251	167,976
Other creditors	226,911	177,362	226,911	177,362
Total Payables	1,603,475	1,069,865	1,742,263	1,018,713

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
12. Employee benefits				
Current				
Annual leave	334,813	232,096	334,813	232,096
Long service leave	38,659	33,762	38,659	33,762
Total Current	373,472	265,858	373,472	265,858
Non-current				
Long service leave	62,765	54,105	62,765	54,105
Total Non-current	62,765	54,105	62,765	54,105

Brisbane Powerhouse had an average of 70 full time equivalent (FTE) employees during the financial year ended 30 June 2023. (52 during year ended 30 June 2022).

13. Financial instruments

a) Financial risk management – objectives and policies

The Group's financial instruments comprise cash and cash equivalents and various financial assets and liabilities including amounts receivable in respect of services rendered, amounts payable to trade and other creditors and lease liabilities.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and credit risk. The Group measures risk exposure using a variety of methods as set out below.

The Directors supported by the Finance, Audit and Risk Management Committee are responsible for risk management, including risks associated with financial instruments. Policies are established to identify and analyse the risks associated with the Group's financial instruments, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits.

Policies are reviewed periodically, taking into account changes in market conditions and the Group's activities. The Group's policies for managing each of these risks are summarised below:

Interest rate risk

The Group is exposed to interest rate fluctuations on its cash and cash equivalents. The Group actively monitors interest rates for cash at bank and on deposit to maximise interest income.



13. Financial instruments (continued)

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid funds are maintained. The Group uses maturity analysis to measure liquidity risk.

Credit risk

Credit risk exposure refers to the situation where the Group may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations. The Group assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

The Group is exposed to credit risk through receivables and its deposits held with banks or other financial institutions. Funds are deposited only with those banks and financial institutions approved by the Board. Such approval is only given in respect of Australian based banks and financial institutions and whilst not capital guaranteed, the likelihood of a credit failure is remote. The Group uses aging analysis to measure credit risk. At the reporting date, the Group does not have any material credit risk exposures to any single receivable or group of receivables or any bank or financial institution.

b) Fair values

Carrying amounts of financial assets and liabilities recorded in the financial statements represent their net fair values, as determined in accordance with the accounting policies disclosed in Note 2.

c) Interest rate risk

The following table sets out the carrying amount, by maturity, of financial instruments exposed to interest rate risk:

	2023		2022	
	Effective interest rate %	12 months or less \$	Effective interest rate %	12 months or less \$
Financial instruments				
Consolidated				
Cash	4.6	3,243,638	.85	3,469,062
Term deposits		-	.27	1,600,000
Total Financial instruments		3,243,638		5,069,062
Company				
Cash	4.6	2,551,609	.85	2,400,644
Term deposits		-	.27	1,600,000
Total Financial instruments		2,551,609		4,000,644

If interest rates were 100 basis points higher, then interest earned on Consolidated investments held at 30 June 2023 would be \$32,436 higher (30 June 2022: \$50,690). If interest rates were 100 basis points lower, then interest earned on investments held at 30 June 2023 would be \$32,436 lower (30 June 2022: \$50,690).

If interest rates were 100 basis points higher, then interest earned on Company investments held at 30 June 2023 would be \$25,516 higher (30 June 2022: \$40,006). If interest rates were 100 basis points lower, then interest earned on investments held at 30 June 2023 would be \$25,516 lower (30 June 2022: \$40,006).



13. Financial instruments (continued)

d) Credit risk

The following table represents the Group's maximum exposure to credit risk:

	Consolidated		Company	
	2023 \$	2022 \$	2023 \$	2022 \$
Financial assets				
Cash	3,243,638	3,469,062	2,551,609	2,400,644
Receivables – trade	671,898	327,604	1,006,071	355,262
Receivables – other, including short term deposits > 3 months	-	1,600,000	-	1,600,000
Total Financial assets	3,915,536	5,396,666	3,557,680	4,355,906

Past due or impaired

No financial assets have had their terms renegotiated to prevent them from being past due or impaired and are stated at the carrying amounts as indicated.

The following table represents an analysis of the age of the Group's financial assets that are either fully performing or past due:

Aged Receivables

Consolidated

	2023			2022		
	Gross Receivables \$	Loss Rate %	Expected Credit Loss \$	Gross Receivables \$	Loss Rate %	Expected Credit Loss \$
Current	270,608	11.40%	30,860	170,278	13.95%	23,747
1 to 30 days overdue	91,245	8.39%	7,654	111,974	10.22%	11,449
31 to 60 days overdue	4,924	0.85%	42	11,038	10.00%	1,104
61 to 90 days overdue	5,698	10.00%	570	14,371	45.02%	6,470
> 90 days overdue	-	-	-	-	-	-
Total	372,474		39,125	307,661		42,770

Company

	2023			2022		
	Gross Receivables \$	Loss Rate %	Expected Credit Loss \$	Gross Receivables \$	Loss Rate %	Expected Credit Loss \$
Current	604,153	5.11%	30,860	198,725	11.95%	23,747
1 to 30 days overdue	92,373	8.29%	7,654	111,974	10.22%	11,449
31 to 60 days overdue	5,462	0.77%	42	11,038	10.00%	1,104
61 to 90 days overdue	5,698	10.00%	570	14,371	45.02%	6,470
> 90 days overdue	-	-	-	-	-	-
Total	707,687		39,125	336,108		42,770



13. Financial instruments (continued)

Allowance for impairment

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Loss allowance as at 1 July	42,770	58,954	42,770	58,954
Amount Written-off during the year	-	-	-	-
Increase / (decrease) in allowance	(3,645)	(16,184)	(3,645)	(16,184)
Closing balance at end of year	39,125	42,770	39,125	42,770

The loss allowance is estimated based on the probability and timing of potential defaults and considers forecasts of future economic conditions as well as past events. No bad debts were written off during the year ended 30 June 2023.

e) Liquidity risk

All financial liabilities are due within six months of financial year end.

14. Cash flow information

The following table represents the surplus/(deficit) for the year to net cash flows from operations.

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Surplus/(deficit) for the year	50,831	58,673	49,387	11,937
Non-cash items included in operating result				
Depreciation and amortisation	970,085	785,800	970,085	785,800
Profit/loss disposal of non-current assets	-	7,173	-	7,173
Other (Assets reclassification)	-	31,216	-	31,216
Change in assets and liabilities				
(Increase)/decrease in assets				
Receivables	(616,152)	(67,661)	(650,809)	(45,002)
Inventories	(62,247)	(14,707)	(62,247)	(14,707)
Other assets	168,067	(941,999)	173,274	(879,429)
Increase/(decrease) in liabilities				
Payables	892,365	340,007	723,550	272,571
Employee benefits	116,274	52,772	116,274	52,772
Deferred income	(1,115,339)	1,773,114	(539,242)	1,078,361
Other liabilities	(174,334)	(296,363)	(174,334)	(296,363)
Net cash flows from operations	229,550	1,728,025	605,938	1,004,329



15. Leases

On 7 February 2020, new lease arrangements were agreed between Brisbane Powerhouse and Brisbane City Council, which was effective on 1 July 2020. The term of the lease agreement is 20+5 years and due to expire in June 2045. The lease is a non-cancellable operating lease. Use of land and buildings is restricted to a community arts centre comprising theatres, administration areas, performance facilities, outdoor spaces, function rooms, restaurant and kitchen areas, bars, and car parking.

The following table summarises the adjustments to asset and liability balances at 30 June 2023:

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Right to use asset at 30 June	10,609,929	10,683,875	10,609,929	10,683,875
Lease Depreciation charge of right to use asset 30 June	(489,502)	(461,301)	(489,502)	(461,301)
Balance after depreciation	10,120,427	10,222,574	10,120,427	10,222,574
Adjustment to right to use asset due to re-measurement of lease liability for CPI	648,627	387,355	648,627	387,355
Right to use asset at 30 June	10,769,054	10,609,929	10,769,054	10,609,929

Lease Liability

Consolidated and Company	< 1 year	1-5 years	>5 years	Total	Total per statement of financial position
30 June 2023	\$	\$	\$	\$	\$
Total	623,053	2,492,211	10,591,896	13,707,160	11,048,223

Consolidated and Company	< 1 year	1-5 years	> 5 years	Total	Total per statement of financial position
30 June 2022	\$	\$	\$	\$	\$
Total	587,748	2,350,992	10,579,465	13,518,205	10,798,288

The lease liability disclosure for 2022 has been adjusted to now include the non-discounted lease payments for year 1 to year 5.

16. Deferred Income

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Deferred Income				
Deferred Income Grants	876,101	2,001,916	696,101	1,341,610
Deferred Income Program	245,451	343,523	245,451	343,523
Deferred Income Ticketing	984,349	787,672	975,681	770,110
Deferred Income Other	201,955	203,188	201,955	203,187
Total Deferred Income	2,307,856	3,336,299	2,119,188	2,658,430



17. Related Party Transactions

a) Transactions with Brisbane City Council and controlled entities

Brisbane Powerhouse is a controlled entity of Brisbane City Council. During the financial year the following transactions occurred with Brisbane City Council:

Nature of Transaction	Consolidated		Company	
	2023 \$	2022 \$	2023 \$	2022 \$
Brisbane City Council				
Revenue				
Functions and events	1,400	16,711	1,400	16,711
Operational funding	3,529,200	3,472,296	3,529,200	3,472,296
Other funding	262,229	1,475,545	262,229	1,475,545
Other	15,672	83,652	15,672	83,652
Expenses				
Electricity	457,109	203,291	457,109	203,291
Insurance and workers compensation	102,429	120,497	102,429	120,497
Lease of business premises	623,053	440,811	623,053	440,811
Other	8,934	7,145	8,934	7,145

At 30 June 2023 \$2,390 was receivable from Brisbane City Council (2022: \$2,289) and \$481,774 (2022: \$74,718) was owed to Brisbane City Council.

During the financial year the following transactions occurred with all other controlled entities of Brisbane City Council:

Nature of Transaction	Consolidated		Company	
	2023 \$	2022 \$	2023 \$	2022 \$
Major Brisbane Festivals Pty Ltd				
Revenue				
Programming	227,992	177,673	227,992	177,673
Expenses				
Programming	142,812	100,699	142,812	100,699
Queensland Urban Utilities				
Expenses				
Utilities	82,955	44,184	82,955	44,184
Brisbane Economic Development Agency				
Revenue				
Functions and events	3,560	-	3,560	-
Expenses				
Functions and events	2,860	591	2,860	591


17. Related Party Transactions (continued)
b) Transactions with Brisbane Powerhouse Foundation

Brisbane Powerhouse Group comprises the consolidation of Brisbane Powerhouse Pty Ltd (the Company) and Brisbane Powerhouse Foundation (the Foundation).

- Brisbane Powerhouse Pty Ltd sold tickets to the value of \$1,295,956 (2022: \$656,566) to BPH Presents shows on behalf of Brisbane Powerhouse Foundation.
- Brisbane Powerhouse Pty Ltd arranged production to the value of \$893,475 (2022: \$314,575) on behalf of Brisbane Powerhouse Foundation.
- Brisbane Powerhouse Pty Ltd received \$182,767 (2022: \$113,261) in ticket fees from Brisbane Powerhouse Foundation for this service.
- Brisbane Powerhouse Pty Ltd supplied administrative support and the use of theatre space to Brisbane Powerhouse Foundation at no charge.
- At 30 June 2023 \$343,880 (2022: \$123,160) was receivable from Brisbane Powerhouse Foundation and \$112,939 (2022: \$66,347) was payable to Brisbane Powerhouse Foundation.

c) Transactions with Key Management Personnel

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director of that entity. KMP include Directors (disclosed in the Directors' Report) and the Executive comprising the CEO/Artistic Director.

	Consolidated		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Directors' benefits				
Short term benefits	71,220	80,909	71,220	80,909
Post-employment benefits	3,780	4,091	3,780	4,091
	75,000	85,000	75,000	85,000
Employee benefits				
Short term employee benefits	274,039	259,638	274,039	259,638
Long term employee benefits	-	-	-	-
Termination payments	-	-	-	-
Post-employment benefits	25,293	23,803	25,293	23,803
	299,332	283,441	299,332	283,441
Total benefits	374,332	368,441	374,332	368,441


17. Related Party Transactions (continued)
d) Transactions with other related parties

Other related parties include the close family members of KMP, and any entities controlled or jointly controlled by KMP or their close family members.

Nature of transaction	Consolidated		Company	
	2023 \$	2022 \$	2023 \$	2022 \$
Revenue				
Donations	7,000	7,500	-	-
Sponsorship	37,500	50,000	37,500	50,000
Functions and events	66,368	75,280	66,368	75,280
Program	-	12,901	-	12,901
Expenses				
Functions and events	32,506	12,704	32,506	12,704
Performers' fee	9,868	10,000	-	-

18. Contingent assets and liabilities

There were no contingent assets or liabilities at 30 June 2023.

19. Events after the reporting period

There were no material adjusting and non-adjusting events after the balance date.

20. Economic dependency

The Group is dependent upon ongoing operational funding from Brisbane City Council to ensure the continuance of its artistic and community program and venue operations. The current funding agreement was entered into for a three plus one year term from 1 July 2021. The Group is also dependent on the ongoing lease of the Brisbane Powerhouse building and precinct from Brisbane City Council. As at 1 July 2020 a lease agreement was entered into for a term of 20+5 years which is due to expire in June 2045.

Due to the major flood event at the end of February 2022 there was significant building damage where recovery costs amounted to \$92,612. During the 2021/2022 financial year, Brisbane Powerhouse raised an insurance claim with Brisbane City Council. This is yet to be recovered.

20. Additional company information

The registered address and principal place of business is:

119 Lamington Street
New Farm QLD 4005

**Directors' declaration for the year ended 30 June 2023**

In the opinion of the Directors of Brisbane Powerhouse Pty Ltd (the Company) the financial statements and notes numbered 1 to 20 are in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company and Group's financial position as at 30 June 2023 and of their performance, for the financial year ended on that date;
- b) complying with Australian Accounting Standards (including Australia Accounting Interpretations) and the *Corporations Regulations 2001*; and
- c) there are reasonable grounds to believe that the Company and Group will be able to pay their debts as and when they become due and payable.

Signed on behalf of the Directors, Brisbane Powerhouse Pty Ltd.

Valmay Hill
Chair Brisbane Powerhouse Pty Ltd
28 September 2023
Brisbane

Penny Shield
Director Brisbane Powerhouse Pty Ltd
28 September 2023
Brisbane

INDEPENDENT AUDITOR'S REPORT

To the Members of Brisbane Powerhouse Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Brisbane Powerhouse Pty Ltd (the parent) and its controlled entity (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 2023, 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 2023, 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 material accounting policy information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General 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 Auditing Standards*. I am also independent of the parent and group in accordance with the auditor independence requirements of the *Corporations Act 2001*.

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 financial and non-financial information (other than the audited financial report). At the date of this auditor's report, the available other information in Brisbane Powerhouse Pty Ltd's annual report for the year ended 30 June 2023 was the directors' report.

The company's 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 or 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 the *Corporations Act 2001*, the Corporations Regulations 2001 and 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 material accounting policy information 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.



Michael Claydon
as delegate of the Auditor-General

5 October 2023

Queensland Audit Office
Brisbane