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**Government  
of South Australia**

# **Australian Children's Performing Arts Company**

## **2021-22 Annual Report**

**Australian Children's Performing Arts Company**

(Windmill Theatre Company)

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To:

The Hon Blair Boyer

Minister for Education, Training and Skills

This annual report will be presented to Parliament to meet the statutory reporting requirements *Public Corporations (Australian Children's Performing Arts Company)* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Australian Children's Performing Arts Company by:

Kaye Weeks  
Executive Director

Date: 30 September 2022

Signature



## From the Chief Executive

The 2021-22 financial year was a period of growth and significant organisational change for Windmill Theatre Company.

We delivered on our KPIs, including; premiering a major new work for teenagers, touring across South Australia and around the country, launching a major new digital education initiative and wrapping production on Windmill Pictures' first ever TV series, *Beep and Mort*. In addition to these artistic achievements, Windmill worked closely with Department for Education and Department of Premier Cabinet colleagues to transition to a new independent governance structure, establishing a strong framework for the company's continuing success.

International touring remained untenable across 2021-22, and so we continued our focus on national and regional touring throughout this period. Although we delivered major tours of several works, the impact of border closures and lockdowns resulted in major interruptions to several tours across July to December 2021. Despite many COVID challenges, Windmill successfully delivered tours of *Grug*, *Beep* and *Amphibian*. Where performances could not proceed or were rescheduled, we continued our focus on delivering quality digital content to young people through the Windmill at Home platform and our digital education initiatives. In addition to our own repertoire, across 2021-22 we consolidated our partnership with Andrew Kay and Associates and the BBC, touring *Bluey's Big Play*, created by Joe Brumm and LUDO Studios across Australia. *Bluey's Big Play* is directed by Windmill Artistic Director Rosemary Myers and designed by Windmill Resident Designer Jonathon Oxlade.

In late 2021 we presented *Amphibian* – the story of an unaccompanied minor's journey as he fled from Afghanistan to Australia - at the Adelaide Festival Centre, Space Theatre. *Amphibian* resonated strongly with school audiences, proving an ideal work to integrate current political events alongside strong performing arts education outcomes for schools.

In June 2022 we premiered *Rella* at the Adelaide Festival Centre, Dunstan Playhouse. *Rella* is a new musical work for teenage audiences and their families that features leading Australian cabaret and theatre artists including Fez Faanana, Thomas Fonua, Carla Lippis and Elaine Crombie. Unfortunately, despite an outstanding response from school audiences, this season was cancelled immediately after opening night as a result of positive COVID cases within the cast.

Windmill Pictures remained a significant focus across the 2021-22 period. In late 2021 with commissioning support from ABC Kids and funding from Screen Australia and the South Australian Film Corporation, *Beep and Mort* went into production in Adelaide. This production generated significant employment opportunities for artists, creatives and technical crew as well as delivering new federal investment into the South Australian screen and arts sectors.

Our Education Program for the 2021-22 year included the development of a major new digital education platform, *Camp Windmill*. Aligned to our premiere production of *Rella*, *Camp Windmill* highlights the importance of the camp aesthetic to Australian

theatre through the exploration of the careers of some of the nation's most celebrated queer artists. Alongside *Camp Windmill* we also created new education resources for schools, delivered professional development programs for teachers and provided 15% of tickets for South Australian seasons for free to schools categorised as disadvantaged.

As we moved into the production phase of our first children's TV series, the benefits of our unique convergence model between stage and screen continued to pay dividends. The diversification of our digital strategy through Windmill Pictures meant Windmill could consolidate our screen ambitions to support artists and grow our company throughout the pandemic. These significant screen outcomes present exciting opportunities for the development of new audiences as the Australian performing arts industry continues to recover from COVID.

In a major development for the company, following Windmill's elevation to the National Performing Arts Partnership Framework (NPAPF) in 2020-2021 and in response to the Arts Organisations Governance Structures Review Report, the Australian Children's Performing Arts Company was dissolved on 30 June 2022. All assets and liabilities were transferred by the Minister for Education to the new independent entity Windmill Production Company Limited, trading as Windmill Theatre Company. From 1 July 2022, this change of structure brings Windmill into line with the 32 other NPAPF organisations around the country, provides new philanthropic opportunities and establishes a strong framework for the continued growth of Windmill Theatre Company and Windmill Pictures into the future.

I am pleased to provide this report that provides further detail of our company's activities and achievements over the 2021-22 financial year.



Kaye Weeks  
**Executive Director**  
**Windmill Theatre Company**

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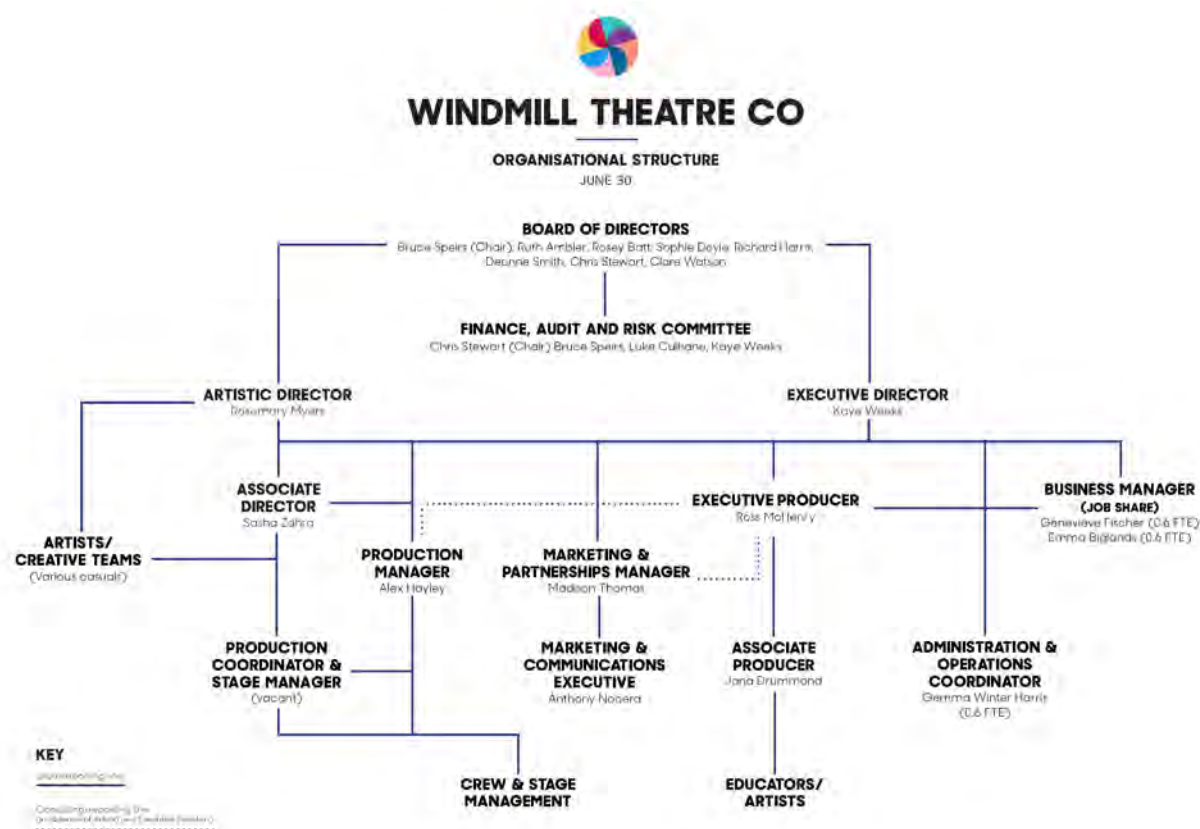
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## Overview: about the agency

### Our strategic focus

|   |   |
|---|---|
| <b>Our Purpose</b>                                | <p>Windmill Theatre Company's purpose is to be a leading centre for the creation of incredible theatre works for children, teenagers and families.</p> <p>We engage excellent artists to create unique and contemporary theatre shows inspired by the vibrancy, modern sophistication and inventiveness of young people, and showcase these works to local, national and international audiences.</p> <p>An innovative convergence of live theatre and film, our screen arm Windmill Pictures is dedicated to producing inventive and richly imagined film and television works from our live theatre repertoire.</p> |
| <b>Our Vision</b>                                 | To take our audiences on adventures to unexpected places.   |
| <b>Our Mission</b>                                | We make original theatre for young audiences and take it to the world.  |
| <b>Our Values</b>                                 | <p>Originality</p> <p>Boldness</p> <p>Substance</p> <p>Art</p> <p>Collaboration</p> <p>Accessibility</p>  |
| <b>Our functions, objectives and deliverables</b> | <p>To create incredible theatre</p> <p>To take our work to a large and diverse audience</p> <p>To foster deeper engagement and creative literacy</p> <p>To drive a strong governance framework and healthy work culture to ensure the company's success and longevity</p>   |

## Our organisational structure



## Changes to the agency

During 2021-22 the following changes to the agency's structure took place as a result of an internal and external review.

In response to a recommendation of the 2019 Arts Review for South Australia, the South Australian Government engaged Gherashe Consultants to appraise the governance structures of the state's statutory arts and cultural entities. The Arts South Australia Statutory Authority Governance Structures Review, delivered in November 2020, recommended that the State Government should support three performing arts organisations, including Windmill, to transition to an independent governance structure as a company limited by guarantee.

The former Premier Steven Marshall subsequently wrote to Windmill seeking the view of the Windmill Board on this matter. Windmill engaged Rob Brookman to undertake a review of the organisation's operations and governance structure. The Windmill Board reviewed Mr Brookman's report and ultimately determined that there would be considerable benefit in moving to a new governance structure as a company limited by guarantee. Subsequently, Windmill received the support of the former Minister for Education John Gardner to make the transition to an independent entity.

On 9 December 2021, the *Public Corporations (Australian Children's Performing Arts Company) (Dissolution and Revocation) Regulations 2021* were made. These regulations commenced on 30 June 2022 when the Australian Children's Performing Arts Company (ACPAC) was dissolved as a subsidiary of the Minister and the

assets, rights and liabilities of ACPAC were vested in Minister for Education, Training and Skills, The Hon Blair Boyer.

The Minister for Education, Training and Skills subsequently transferred the assets, rights and liabilities of Windmill to the new independent entity, Windmill Production Company trading as Windmill Theatre Company commenced operations on 1 July 2022.

The National Performing Arts Partnership Framework (NPAPF) funding agreement between the State Government through the Department for Education and the Federal Government through the Australia Council for the Arts, and all other government funding agreements and relevant artistic and organisational agreements were transferred to the new entity at 30 June 2022. Windmill's operations through both Windmill Theatre Company and its subsidiary Windmill Pictures continued uninterrupted.

As a result of this change of governance structure, Windmill is now an independent entity. All future reporting requirements are captured within the NPAPF agreement administered by the Department for Education and Australia Council for the Arts.

## **Our Minister**



The Hon Blair Boyer MP is the Minister for Education, Training and Skills.

## Our Executive team



(L-R, Rosemary Myers, Kaye Weeks)

### Kaye Weeks

Executive Director

Kaye Weeks is an experienced senior arts industry executive with a strong track record in delivering high profile national and international arts projects.

#### *Role and responsibilities*

- Governance
- Management of operations and staff
- Producing Windmill Theatre Company home seasons and touring program
- Producing Windmill Pictures productions
- Works closely with the Artistic Director and Board

### Rosemary Myers

Artistic Director

Rosemary Myers is an award-winning director and arts industry executive with more than 25 years' experience in the delivery of high-profile productions.

#### *Role and responsibilities*

- Artistic vision and programming
- Directing the majority of Windmill Theatre Company productions
- Directing Windmill Pictures productions
- Works closely with the Executive Director and reports to the Board

## Legislation administered by the agency

### *Public Corporations (Australian Children's Performing Arts Company)*

#### *13—Functions of subsidiary*

*(1) The subsidiary is established as a children's performing arts company to produce, present, facilitate, manage and promote high quality performing arts productions and other arts activities for children, young people, families, schools and other groups or bodies, both within the State and nationally and internationally and, in so doing, the subsidiary may—*

- (a) produce, present, manage, promote or conduct performances and entertainment of any kind as may in its opinion tend to promote artistic performance for children and young people, and their families; and*
- (b) promote or commission the writing of plays, screenplays or other dramas, the scoring and writing of operas and other musical performances, the scoring, writing and choreography of dance, and other works for performance; and*
- (c) promote the training of all persons concerned in the production, presentation or performance of artistic performances or presentations; and*
- (d) assist financially or otherwise in the production, presentation, management, promotion or conduct of performances for children and young people, and their families; and*
- (e) promote public interest and participation in performance for children and young people, and their families; and*
- (f) establish and maintain a collection of objects of public interest relating to the past and present practice of the performing arts for children and young people and, for that purpose, purchase, hire, accept by way of gift or loan, or otherwise acquire, any such objects; and*
- (g) establish and conduct schools, courses, lectures, seminars and discussions on the art of performance; and*
- (h) undertake or promote research into the art of performance both generally and in the area of performance and theatre practice for children and young people; and*
- (i) enter into contracts (including contracts of employment), or other forms of agreement, connected with the production, management, presentation or promotion of performances, and enter into other forms of contract or agreement; and*
- (j) make charges for admission to any performance, production or presentation; and*
- (k) grant or dispose of rights or arrangements to televise, broadcast or record any performances undertaken under its auspices; and*
- (l) acquire, develop, hold, enhance or dispose of intellectual property; and*
- (m) perform or exercise incidental functions or powers; and*
- (n) undertake other functions or activities approved by the Minister.*

*(2) The subsidiary must obtain the approval of the Minister before it makes a material change to a policy direction or budget.*

*(3) The subsidiary should only undertake activities outside the State to the extent approved by the Minister or provided for by its charter.*

**Other related agencies (within the Minister's area/s of responsibility)**

In 2017, the Australian Children's Performing Arts Company established a wholly owned subsidiary, Windmill Pictures Pty Ltd, incorporated under the *Corporations Act 2001*. An innovative convergence model of live theatre and film, this screen arm of the company is dedicated to producing film and television works from Windmill's live theatre repertoire.

In 2021, Windmill Pictures Pty Ltd established two subsidiaries, also incorporated under the *Corporations Act 2001*, to facilitate the production of the TV series *Beep and Mort*.

## The agency's performance

### Performance at a glance

Across the reporting period Windmill delivered strongly against the financial and non-financial performance targets outlined in the 2021-22 organisational performance statement. This included exceeding revenue targets, maintaining budgets within approved parameters, improving non-government income and achieving non-financial targets.

Alongside this success, Windmill also delivered against the KPIs outlined in our 2021-2024 Strategic Plan and met the organisation specific KPIs outlined in the company's National Performing Arts Partnership Framework Agreement.

Windmill's mission to commission, develop and present new Australian work for children, teenagers and families underpinned our activity across 2021-22. Major Australian tours of *Beep*, *Amphibian* and *Grug* were delivered to capital cities and metropolitan areas alongside home seasons of *Amphibian* and the world premiere of *Rella* at the Dunstan Playhouse. Windmill Pictures production *Beep and Mort*, commissioned by the ABC with funding support from Screen Australia and the South Australian Film Corporation commenced production.

Windmill worked consistently to develop capacity within the South Australian theatre sector through collaborations with organisations including the ABC, Screen Australia, the South Australian Film Corporation, Sydney Opera House, Country Arts South Australia and many others. These partnerships and collaborations created significant employment outcomes for artists across Windmill's screen, touring and presentation programs, delivering on the company's goal to demonstrate leadership within the sector.

Windmill's touring programs consistently improved access and participation in the arts across 2021-22 through major national tours including across South Australia. Despite the closure of international borders for the majority of the reporting period, Windmill maintained critical presenting partnerships with international agents and showcased its digital works to the international market.

Windmill's education programs continued to engage South Australian young people through live performances and major digital education projects including *Camp Windmill*. Windmill also worked consistently to deliver comprehensive study guides for all productions linked to the Australian Curriculum and Early Years Learning Framework.

### Agency response to COVID-19

Windmill continued to implement a comprehensive COVID Safe Workplace Plan (CSWP) as a component of its existing Work Health and Safety Manual across the reporting period. This plan provided a flexible framework, based on evolving best practice health advice, to respond to the impact of COVID throughout 2021-22. Windmill worked effectively to manage the emergence of new variants and the

impact of rolling border closures and restrictions on activity, rescheduling most performances and delivering significant performance and touring outcomes despite facing major challenges.

**Agency's contribution to whole of Government objectives**

Windmill Theatre Company and Windmill Pictures worked with over 150 artists and arts workers (including core staff) in 2021-22. Many of these individuals worked across multiple seasons or tours, generating significant employment outcomes.

Across this period, Windmill focused on delivering rescheduled tours that had been impacted by COVID and developing new original works through exciting artistic collaborations that attracted significant national interest. These activities provided artists and arts workers engaged by the company with the financial stability and security to continue working within the sector during a period that saw many leave the industry as a result of the impacts of COVID.

In 2021-22 Windmill also began working to rebuild its international touring presence as the company looks to the future by working effectively to secure further employment opportunities for South Australian arts workers and artists long term.

Every year Windmill prioritises new artistic engagements and collaborations ensuring that the company remains diverse and representative of modern Australia.

Windmill's small, hard-working core staff delivered an extensive program of work through efficient internal processes. Windmill's transition to a company limited by guarantee on 30 June 2022 will streamline regulatory requirements as Windmill and its subsidiaries will all be incorporated under the *Corporations Act 2001*.

Windmill is committed to delivering exceptional arts experiences to children and families with a focus on deepening engagement for South Australian schools through the integration of quality educational resources, available free of charge.

Windmill also has a policy of giving away 15% of tickets to its South Australian performances free of charge to children from schools categorised as disadvantaged, ensuring access for all.

| Agency Specific Objectives and Performance |   |  |
|--|---|--|
| Agency objectives                          | Indicators  | Performance  |
| To create incredible theatre               | Collaborate with established and emerging high calibre artists to evolve the Windmill house style | In 2021-22 Windmill premiered <i>Rella</i> which resulted in new collaborations with established artists working across diverse areas of creative practice. Windmill's touring programs also provided opportunities for new collaborators and artists to work with Windmill.   |
|  | Uncover stories burning to be told, and explore dynamic ways of telling them                      | In 2021-22 Windmill premiered <i>Rella</i> , a new creative work for secondary school aged audiences. <i>Rella</i> invited young people to interrogate the construct of family while challenging mainstream standards of beauty, gender and incorporating First Nation and Samoan culture in an uplifting musical comedy.<br><br>While the premiere season was cut short after opening night due to COVID, the cross-section of theatre, cabaret and drag creative practices has attracted extensive presenter interest in future touring seasons. |

|  |   |  |
|--|---|--|
|  | <p>Invest time and resources in experimentation, creative development and the realisation of each work</p>      | <p>Across 2021-22 Windmill invested significant time and resources into the development of several major new screen, theatre and digital works.</p> <p>These included:</p> <p>The completion of filming for Windmill Pictures TV project <i>Beep and Mort</i> and the commencement of postproduction editing.</p> <p>Development and premiere of <i>Rella</i> which celebrated First Nations and Samoan culture and drag culture accompanied by an original 1980s inspired soundtrack.</p> <p>Development of <i>Camp Windmill</i>, an ambitious digital platform exploring the role of camp in Australian theatre and providing educators and students with the resources to deepen their experience of <i>Rella</i>.</p> <p>Development of <i>Hans and Gret</i> – a work created in collaboration with creative technology company Sandpit that utilises immersive audio devices.</p> |
|  | <p>Undertake rigorous creative and operational processes to ensure excellence in all elements of production</p> | <p>Across 2021-22, Windmill upheld rigorous professional standards across all aspects of the company's operations ensuring that all performances were presented to the highest level.</p> <p>Despite the challenges of COVID Windmill delivered strongly against the company's creative objectives across all productions.</p>   |

|  |   |   |
|--|---|---|
|  | Reflect the diversity of contemporary Australia                   | <p>Throughout 2021-22, Windmill has maintained its priority to represent contemporary Australian culture by meeting diversity targets through its casting and management processes for home seasons and touring works.</p> <p>In particular, <i>Rella</i> explored contemporary family dynamics and cultural identity reflecting the diversity of modern Australia.</p>   |
|  | Extend our practice through cross-pollination of stage and screen | <p>Across 2021-22 Windmill Pictures achieved several key milestones towards the completion of season one of <i>Beep and Mort</i>. This included:</p> <ul style="list-style-type: none"> <li>• Completing pre-production</li> <li>• Completing filming in December 2021</li> <li>• Commencing postproduction (editing, sound mix, vision mix, ADR)</li> </ul> <p><i>Beep and Mort</i> is a Windmill Pictures production commissioned by ABC Kids and distributed by ABC Commercial with major production investment from Screen Australia and the South Australian Film Corporation.</p> |
| To take our work to a large and diverse audience | Present an annual season in Adelaide                              | <p>In 2021-22 Windmill presented two works in Adelaide including a season of <i>Amphibian</i> to a total audience of 2,051.</p> <p>The premiere season of <i>Rella</i> premiered in Adelaide, however, it was cancelled after the first six performances due to COVID meaning it was only seen by a total audience of 959.</p>  |
|  | Tour work to outer-metro Adelaide and regional South Australia    | <p>Following the declaration of the COVID pandemic and subsequent restrictions on movement and public gatherings in 2020, Windmill's regional South Australian tour of</p>  |

|  |   |  |
|--|---|--|
|  |   | <i>Beep</i> was rescheduled to 2021. Across August and September 2021, <i>Beep</i> toured to six outer-metro Adelaide and regional South Australia to a total of 1,757 people.   |
|  | Implement audience development strategies through integrated marketing and communications campaigns | <p>The period of July – December 2021 was a highly volatile and rapidly changing COVID environment as rolling restrictions, border closures and lockdowns resulted from the Delta wave across Australia. Across this period, Windmill provided responsive communication to audiences and stakeholders to effectively inform patrons of rescheduled performances as well as promoting seasons that were able to proceed.</p> <p>As the COVID environment normalised, and vaccination rates met national targets in December 2021 and January 2022 Windmill implemented successful audience development strategies that effectively attracted teenagers and families back to theatres for the premiere season of <i>Rella</i>.</p> |
|  | Develop relationships with key presenters and producing partners in major Australian capital cities | <p>Across 2021-22 Windmill worked effectively to maintain and develop key relationships with venues and presenters for presenting our work.</p> <p>In 2021-22 we delivered three national tours and worked with presenters to confirm high profile future seasons of <i>Creation Creation</i> at the Sydney Opera House, Arts Centre Melbourne and Awesome Festival, Perth.</p>  |
|  | Engage agents in key international territories and develop touring networks                         | Windmill has worked strategically to maintain its connections to international presenters including Holden and Arts Associates in North America. Across 2021-22 Windmill worked with Holden and Arts Associates to secure a six-   |

|  |  |  |
|--|--|--|
|  |  | week tour of the USA for <i>Hiccup</i> in 2022-23.   |
|  | Attend international marketplace events and festivals to maintain and grow relationships with key international presenters | While it was still not possible to attend international conferences in person during 2021-22, Windmill strategically maintained key presenting relationships through its agency partners across this period.   |
|  | Develop relationships with broadcasters, SVODs and distribution partners for screen projects                               | Windmill worked closely with ABC Commercial and ABC Kids on plans for the premiere of <i>Beep and Mort</i> during the reporting period.<br><br>Windmill Pictures is working closely with ABC commercial across the distribution rollout of <i>Beep and Mort</i> internationally. |

|   |  |   |
|---|--|---|
| To foster deeper engagement and creative literacy   | Facilitate interaction between artists and audiences (students, educators and general public)                      | <p>School and foyer workshops were suspended across 2021-22 due to COVID risks and restrictions on access to school sites and theatres.</p> <p>Windmill provided digital access points to school audiences for <i>Rella</i> through <i>Camp Windmill</i> and for <i>Amphibian</i> through <i>Across Land and Sea</i>; <i>Muzafar's true story</i>. Muzafar Ali also conducted post show Q&amp;A sessions for students for <i>Amphibian</i>.</p> <p>Total of 3,837 students attended a Windmill school show in 2021-22 and an audience of over 13,000 accessing Windmill's digital resources during this period.</p> <p>Windmill also delivered several online teacher professional development workshops together with Drama South Australia.</p> |
|   | Create opportunities for audiences to respond to our work through their own creative expression                    | <p>Windmill developed a suite of new resources that engaged students and educators to respond and learn from Windmill productions across 2021-22 including through <i>Camp Windmill</i> and <i>Across Land and Sea</i>.</p>   |
| To drive a strong governance framework and healthy work culture to ensure the company's success and longevity | Maintain a respectful, collaborative and empowering work culture where individuals are safe, engaged and motivated | <p>Windmill maintained a strongly positive working culture scaffolded by effective leadership and the organisation's key policy documents including the Code of Conduct that outlines expected standards of behaviour by all workers. Windmill also ensures respectful behaviours are enforced for all touring companies and creative teams through briefings and effective company management.</p>   |
|   | Ensure appropriate financial and human resources   | <p>Windmill's budget and reforecast process ensures adequate financial</p>  |

|  |  |   |
|--|--|---|
|  | are allocated to all aspects of the company's operations   | resources are provided for general operations and projects.<br><br>Windmill re-structured operations effective 30 June 2022 to ensure adequate resourcing across all aspects of the company's operations.   |
|  | Keep sufficient reserves to meet future financial commitments and enable strategic investments in major projects when required | At 30 June 2022 Windmill transferred the following to the new entity Windmill Production Company:<br><br>\$350k of General Reserves for short and long-term financial commitments.<br><br>\$90k Special Projects and International Touring Reserves.  |
|  | Maintain robust systems for budgeting, forecasting and financial reporting   | Up to date actual and forecast financial reports are regularly delivered to management, and provided at Board and Finance, Audit and Risk Committee meetings.   |
|  | Continually review internal and external risks and develop appropriate mitigation strategies                                   | Windmill identifies and evaluates its exposure to risk annually, and strives to eliminate, or reduce, as far as practical, the conditions and practices which provide risk exposure. This annual risk analysis is reviewed and endorsed by the Finance, Audit and Risk Committee and the Board. |
|  | Pursue opportunities for the diversification of income streams   | Windmill is continually investigating diverse income streams, particularly philanthropic and screen project income. Transitioning to a company limited by guarantee increases opportunities for philanthropic giving and bequests.  |

## Corporate performance summary

In 2021-22 Windmill delivered outcomes that exceeded the company's KPIs in several areas, despite the impact of COVID. These include meeting the following financial performance targets:

- i. Windmill exceeded its \$500,000 non-State Government sourced revenues target generating \$1,025,000 in non-State Government revenue.
- ii. Expenditure maintained within approved budget parameters.
- iii. Financial performance targets were all met, box office revenue and performance partnership income improved against 2020–21 figures delivering on the company's aims to improve non-government income.

And the following non-financial performance targets were achieved:

### South Australia

- i. Presented a season of *Amphibian* (for children aged 12+) at the Space Theatre, Adelaide Festival Centre.
- ii. Presented the Australian premiere season *Rella* directed by Sasha Zahra (for children aged 12+) at the Dunstan Playhouse, Adelaide Festival Centre.
- iii. Delivered a tour of *Beep* across regional South Australia.

### National

- i. Delivered a reduced tour of *Amphibian* across Australia (for children aged 12+). COVID disruptions due to the Delta variant meant this tour was delivered where border closures permitted, and some venue cancellations occurred.
- ii. Delivered a reduced national regional tour of *Beep* across Australia (for children aged 2-6). COVID disruptions due to the Delta variant meant this tour was delivered where border closures permitted, and some venue cancellations occurred.
- iii. Presented a season of *Hiccup* (for children aged 4-8) at Awesome Festival in Perth.
- iv. Undertook a 4-week tour of *Grug* (for children aged 2-6) across regional Western Australia.
- v. Presented a season of *Grug* (for children aged 2-6) at the Sydney Opera House.

### Development

- vi. Creative development of a new show for teenagers, *Hans and Gret* with co-producing partner Sandpit.

### Education

- i. Delivery of *Camp Windmill* an online platform as a companion piece to *Rella* exploring the role of camp in Australian Theatre.

- ii. Creation of a comprehensive study guide for *Rella* in collaboration with trained educators.
- iii. Delivered remote professional development workshops for teachers in collaboration with Drama South Australia.

## Windmill Pictures

- i. Completed production of Windmill Pictures debut TV series *Beep and Mort*.

## Employment opportunity programs

| Program name              | Performance  |
|---------------------------|--|
| 2021-22 Season Activities | In addition to Windmill's core staff, in 2021-22 the company also engaged 55 artists and arts workers through Windmill Theatre Company's presentation and performance seasons and 85 artists and crew through Windmill Pictures' projects. Many of these individuals were involved in several productions across the reporting period. |
| Work Experience Program   | Work experience programs were temporarily suspended due to the risk of COVID across the reporting period.  |
| Secondments               | Secondment programs were temporarily suspended due to the risk of COVID across the reporting period.   |

## Agency performance management and development systems

| Performance management and development system | Performance   |
|---|---|
| Staff Performance and Development Reviews     | Performance reviews for all non-executive staff were undertaken in 2021-22. All staff met the expectations of their respective roles. |
| Training and development spend                | \$2,901 was spent on training and development in 2021-22, which equates to \$290 per FTE.   |

## Work health, safety and return to work programs

| Program name                         | Performance  |
|--------------------------------------|--|
| WHS Policy and Procedure Maintenance | Business SA is engaged to regularly review Windmill's WHS Management System and update documentation for any changes in legislation. In 2021-22 Business SA WHS training was conducted for all employees and WHS management training was undertaken by Windmill's Business Managers. |
| COVID Safe Plan                      | Windmill has a COVID Safe Workplace Plan for all areas where work is undertaken including the Windmill office, rehearsal spaces, in the theatre, and on tour. This plan was regularly updated across the reporting period in response to changing state and national health advice.  |

| Workplace injury claims   | 2021-22 | 2020-21 | % Change (+ / -) |
|---|---------|---------|------------------|
| Total new workplace injury claims   | 0       | 0       | 0%               |
| Fatalities  | 0       | 0       | 0%               |
| Seriously injured workers*  | 0       | 0       | 0%               |
| Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE) | 0       | 0       | 0%               |

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

| Work health and safety regulations   | 2021-22 | 2020-21 | % Change (+ / -) |
|--|---------|---------|------------------|
| Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )  | 0       | 0       | 0%               |
| Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> ) | 0       | 0       | 0%               |

| Return to work costs**                            | 2021-22 | 2020-21 | % Change<br>(+ / -) |
|---|---------|---------|---------------------|
| Total gross workers compensation expenditure (\$) | 0       | 0       | 0%                  |
| Income support payments – gross (\$)              | 0       | 0       | 0%                  |

\*\*before third party recovery

Data for previous years is available at: [Windmill Theatre Co WHS and return to work performance - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/windmill-theatre-co-whs-and-return-to-work-performance)

### Executive employment in the agency

| Executive classification | Number of executives |
|--------------------------|----------------------|
| Executive Director       | 1                    |
| Artistic Director        | 1                    |

Data for previous years is available at: [Windmill Theatre Co Executive Employment - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/windmill-theatre-co-executive-employment)

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2021-2022 are attached to this report.

The budgeted \$5,000 deficit is for ACPAC as a standalone entity. The actual \$168,000 deficit includes \$71,000 of net expenses attributable to ACPAC's subsidiaries. Remaining variances are predominantly due to an increase in production expenditure recognised in 2021-22 due to the dissolution of ACPAC (if ACPAC were continuing, a portion of this expenditure would have been carried forward and recognised in 2022-23).

| <b>Statement of Comprehensive Income</b> | <b>2021-22 Budget \$000s</b> | <b>2021-22 Actual \$000s</b> | <b>Variation \$000s</b> | <b>2020-21 Actual \$000s</b> |
|--|------------------------------|------------------------------|-------------------------|------------------------------|
| Total Income                             | 2,716                        | 2,998                        | 282                     | 2,534                        |
| Total Expenses                           | (2,721)                      | (3,166)                      | (445)                   | (2,404)                      |
| <b>Net Result</b>                        | <b>(5)</b>                   | <b>(168)</b>                 | <b>(163)</b>            | 130                          |
| <b>Total Comprehensive Result</b>        | <b>(5)</b>                   | <b>(168)</b>                 | <b>(163)</b>            | <b>130</b>                   |

On 30 June 2022, the Australian Children's Performing Arts Company was dissolved and its remaining net assets at this date transferred to the Minister for Education, Training and Skills. Due to the dissolution of the Australian Children's Performing Arts Company, the following Statement of Financial Position summary shows all balances of \$0 at 30 June 2022.

| <b>Statement of Financial Position</b> | <b>2021-22 Budget \$000s</b> | <b>2021-22 Actual \$000s</b> | <b>Variation \$000s</b> | <b>2020-21 Actual \$000s</b> |
|--|------------------------------|------------------------------|-------------------------|------------------------------|
| Current assets                         | N/A                          | 0                            | N/A                     | 1,381                        |
| Non-current assets                     | N/A                          | 0                            | N/A                     | 592                          |
| <b>Total assets</b>                    | <b>N/A</b>                   | <b>0</b>                     | <b>N/A</b>              | <b>1,973</b>                 |
| Current liabilities                    | N/A                          | 0                            | N/A                     | 965                          |
| Non-current liabilities                | N/A                          | 0                            | N/A                     | 400                          |
| <b>Total liabilities</b>               | <b>N/A</b>                   | <b>0</b>                     | <b>N/A</b>              | <b>1,365</b>                 |
| <b>Net assets</b>                      | <b>N/A</b>                   | <b>0</b>                     | <b>N/A</b>              | <b>608</b>                   |
| <b>Equity</b>                          | <b>N/A</b>                   | <b>0</b>                     | <b>N/A</b>              | <b>608</b>                   |

### Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

**Consultancies with a contract value below \$10,000 each**

| <b>Consultancies</b>                            | <b>Purpose</b> | <b>\$ Actual payment</b> |
|---|----------------|--------------------------|
| No consultancies below \$10,000 each - combined | N/A            | \$0                      |

**Consultancies with a contract value above \$10,000 each**

| <b>Consultancies</b>                                       | <b>Purpose</b> | <b>\$ Actual payment</b> |
|--|----------------|--------------------------|
| No consultancies with a contract value above \$10,000 each | N/A            | \$0                      |
|  | <b>Total</b>   | \$0                      |

Data for previous years is available at: [Windmill Theatre Co Consultants - Dataset - data.sa.gov.au](https://data.sa.gov.au)

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

**Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

**Contractors with a contract value below \$10,000**

| <b>Contractors</b>                             | <b>Purpose</b> | <b>\$ Actual payment</b> |
|--|----------------|--------------------------|
| All contractors below \$10,000 each - combined | Various        | \$92,516                 |

**Contractors with a contract value above \$10,000 each**

| <b>Contractors</b>     | <b>Purpose</b>       | <b>\$ Actual payment</b> |
|------------------------|----------------------|--------------------------|
| Creative contracts x 8 | Windmill Productions | \$126,918                |
| Thomson Geer Lawyers   | Legal Fees           | \$59,441                 |
|                        | <b>Total</b>         | <b>\$186,359</b>         |

Data for previous years is available at: [Windmill Theatre Co External Contractors - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/windmill-theatre-co-external-contractors)

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts](#).

### Other information

Australian Children's Performing Arts Company (ACPAC) trading as Windmill Theatre Co was dissolved on 30 June 2022 under the *Public Corporations (Australian Children's Performing Arts Company) (Dissolution and Revocation) Regulations 2021*.

The assets, rights and liabilities of ACPAC were transferred to Windmill Production Company Ltd on 30 June 2022. Windmill Production is a not-for-profit company limited by guarantee incorporated under the *Corporations Act 2001* and registered as a charity with the Australian Charities and Not-for-profits Commission.

Windmill Production Company Ltd will continue carrying on the activities of ACPAC.

## Risk management

### Fraud detected in the agency

| Category/nature of fraud                     | Number of instances |
|--|---------------------|
| No instances of fraud detected in the period | N/A                 |

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

### Strategies implemented to control and prevent fraud

The annual Financial Compliance Program assessment provides a thorough review of policies and procedures to ensure that effective controls are in place to mitigate the risk of fraud.

Each month, the Executive Producer reviews the finance reports including analysis of major variances to forecast and budget figures and balance sheet reconciliations. The Finance, Audit and Risk Committee and the Board are also provided with finance reports and a variance analysis at each of their meetings.

Data for previous years is available at: [Windmill Theatre Co Fraud detected in the agency - Dataset - data.sa.gov.au](#)

### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Data for previous years is available at: [Windmill Theatre Co Whistleblowers disclosure - Dataset - data.sa.gov.au](#)

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

| Act or Regulation | Requirement |
|-------------------|-------------|
| N/A               | N/A         |

## Reporting required under the *Carers' Recognition Act 2005*

N/A

## Public complaints

### Number of public complaints reported

| Complaint categories   | Sub-categories        | Example  | Number of Complaints 2021-22 |
|------------------------|-----------------------|--|------------------------------|
| Professional behaviour | Staff attitude        | Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency                    | 0                            |
| Professional behaviour | Staff competency      | Failure to action service request; poorly informed decisions; incorrect or incomplete service provided                         | 0                            |
| Professional behaviour | Staff knowledge       | Lack of service specific knowledge; incomplete or out-of-date knowledge  | 0                            |
| Communication          | Communication quality | Inadequate, delayed or absent communication with customer  | 0                            |
| Communication          | Confidentiality       | Customer's confidentiality or privacy not respected; information shared incorrectly  | 0                            |
| Service delivery       | Systems/technology    | System offline; inaccessible to customer; incorrect result/information provided; poor system design                            | 0                            |
| Service delivery       | Access to services    | Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities | 0                            |
| Service delivery       | Process               | Processing error; incorrect process used; delay in processing application; process not customer responsive                     | 0                            |
| Policy                 | Policy application    | Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given                                     | 0                            |
| Policy                 | Policy content        | Policy content difficult to understand; policy   | 0                            |

| <b>Complaint categories</b> | <b>Sub-categories</b>  | <b>Example</b>  | <b>Number of Complaints 2021-22</b> |
|-----------------------------|------------------------|---|-------------------------------------|
|                             |                        | unreasonable or disadvantages customer  |                                     |
| Service quality             | Information            | Incorrect, incomplete, out dated or inadequate information; not fit for purpose                                   | 0                                   |
| Service quality             | Access to information  | Information difficult to understand, hard to find or difficult to use; not plain English                          | 0                                   |
| Service quality             | Timeliness             | Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met               | 0                                   |
| Service quality             | Safety                 | Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness | 0                                   |
| Service quality             | Service responsiveness | Service design doesn't meet customer needs; poor service fit with customer expectations                           | 0                                   |
| No case to answer           | No case to answer      | Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate     | 0                                   |
|                             |                        | <b>Total</b>  | <b>0</b>                            |

| <b>Additional Metrics</b>                      | <b>Total</b>   |
|--|--|
| Number of positive feedback comments           | Regular positive feedback regarding shows and activities |
| Number of negative feedback comments           | N/A  |
| Total number of feedback comments              | N/A  |
| % complaints resolved within policy timeframes | N/A  |

Data for previous years is available at: [Windmill Theatre Co Complaints by Subject - Dataset - data.sa.gov.au](https://data.sa.gov.au/dataset/windmill-theatre-co-complaints-by-subject)

**Service Improvements**

|     |
|-----|
| N/A |
|-----|

**Compliance Statement**

|  |     |
|--|-----|
| Windmill Theatre Co is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector  | Y/N |
| Windmill Theatre Co has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees. | Y/N |

Windmill Theatre Company has an established complaints (and compliments) management procedure. From 1 July 2022 Windmill Theatre Company is no longer required to comply with Premier and Cabinet Circulars.

## **Appendix: Audited financial statements 2021-22**



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## To the Chair of the Board Australian Children's Performing Arts Company

### Opinion

I have audited the financial report of the Australian Children's Performing Arts Company for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Australian Children's Performing Arts Company as at 30 June 2022, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, the Chair of the Finance, Audit and Risk Committee, the Executive Director and the Business Managers.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and 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 Australian Children's Performing Arts Company. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

### **Responsibilities of the Executive Director and Board for the financial report**

The Executive Director is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Reporting Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Executive Director is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Executive Director is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The directors of the Board are responsible for overseeing the entity's financial reporting process.

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 13(3) of the schedule of to the *Public Corporations Act 1993*, I have audited the financial report of the Australian Children's Performing Arts Company for the financial year ended 30 June 2022.

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with 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 the purpose of expressing an opinion on the effectiveness of the Australia Children's Performing Arts Company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Director
- conclude on the appropriateness of the Executive Director'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 entity'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 the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with Executive Director about, 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 the audit.



Andrew Richardson  
**Auditor-General**

30 September 2022

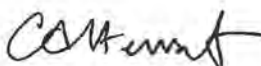
## AUSTRALIAN CHILDREN'S PERFORMING ARTS COMPANY Certification of the Financial Statements

We certify that the:

- o financial statements of the Australian Children's Performing Arts Company:
  - are in accordance with the accounts and records of the authority;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the Australian Children's Performing Arts Company at the end of the financial year and the result of its operations and cash flows for the financial year.
- o internal controls employed by the Australian Children's Performing Arts Company for the financial year over its financial reporting and its preparation of financial statements have been effective.



Bruce Speirs  
**Chair**  
30 September 2022



Chris Stewart  
**Chair - Finance, Audit and Risk Committee**  
30 September 2022



Kaye Weeks  
**Executive Director**  
30 September 2022



Genevieve Fischer  
**Business Manager**  
30 September 2022



Emma Biglands  
**Business Manager**  
30 September 2022

# Australian Children's Performing Arts Company

## STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2022

|  | Note | 2022<br>\$'000 | 2021<br>\$'000 |
|--|------|----------------|----------------|
| <b>Income</b>                                  |      |                |                |
| Revenues from SA Government                    | 4.1  | 1,231          | 1,404          |
| Commonwealth-sourced grants and funding        | 4.2  | 1,060          | 619            |
| Program revenues                               | 4.3  | 222            | 157            |
| Gain on disposal of investment in subsidiaries | 8.1  | 151            | -              |
| Salary recoveries                              | 4.4  | 124            | -              |
| Donations                                      | 4.5  | 74             | 108            |
| Notional gain on investment in subsidiaries    | 8.1  | -              | 71             |
| Service fees                                   | 4.6  | 60             | 23             |
| Insurance claim revenue                        | 4.7  | -              | 119            |
| Other revenues                                 | 4.8  | 76             | 33             |
| <b>Total income</b>                            |      | <u>2,998</u>   | <u>2,534</u>   |
| <b>Expenses</b>                                |      |                |                |
| Employee benefits expenses                     | 2.3  | 1,235          | 994            |
| Supplies and services                          | 3.1  | 1,539          | 1,034          |
| Notional loss on investments in subsidiaries   | 8.1  | 222            | -              |
| Grants   | 3.2  | -              | 150            |
| Depreciation and amortisation                  | 3.4  | 170            | 126            |
| Screen project investment funding              | 3.3  | -              | 100            |
| <b>Total expenses</b>                          |      | <u>3,166</u>   | <u>2,404</u>   |
| <b>Net result</b>                              |      | <u>(168)</u>   | <u>130</u>     |
| <b>Total comprehensive result</b>              |      | <u>(168)</u>   | <u>130</u>     |

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

# Australian Children's Performing Arts Company

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2022

|                                      | <i>Note</i> | <b>2022<br/>\$'000</b> | <b>2021<br/>\$'000</b> |
|--------------------------------------|-------------|------------------------|------------------------|
| <b>Current assets</b>                |             |                        |                        |
| Cash and cash equivalents            | 6.2         | -                      | 1,285                  |
| Receivables                          | 6.3         | -                      | 96                     |
| <b>Total current assets</b>          |             | <u>-</u>               | <u>1,381</u>           |
| <b>Non-current assets</b>            |             |                        |                        |
| Investment in subsidiaries           | 8.1         | -                      | 71                     |
| Property, plant and equipment        | 5.1         | -                      | 521                    |
| <b>Total non-current assets</b>      |             | <u>-</u>               | <u>592</u>             |
| <b>Total assets</b>                  |             | <u>-</u>               | <u>1,973</u>           |
| <b>Current liabilities</b>           |             |                        |                        |
| Payables                             | 7.2         | -                      | 130                    |
| Lease liabilities                    | 7.3         | -                      | 107                    |
| Contract liabilities                 | 7.4         | -                      | 664                    |
| Employee benefits                    | 2.4         | -                      | 64                     |
| <b>Total current liabilities</b>     |             | <u>-</u>               | <u>965</u>             |
| <b>Non-current liabilities</b>       |             |                        |                        |
| Payables                             | 7.2         | -                      | 6                      |
| Lease liabilities                    | 7.3         | -                      | 307                    |
| Employee benefits                    | 2.4         | -                      | 87                     |
| <b>Total non-current liabilities</b> |             | <u>-</u>               | <u>400</u>             |
| <b>Total liabilities</b>             |             | <u>-</u>               | <u>1,365</u>           |
| <b>Net assets</b>                    |             | <u>-</u>               | <u>608</u>             |
| <b>Equity</b>                        |             |                        |                        |
| Retained earnings                    |             | <u>-</u>               | <u>608</u>             |
| <b>Total equity</b>                  |             | <u>-</u>               | <u>608</u>             |

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

# Australian Children's Performing Arts Company

## STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2022

|   | <i>Note</i> | Retained<br>Earnings<br>\$'000 | Total Equity<br>\$'000 |
|---|-------------|--------------------------------|------------------------|
| Balance at 1 July 2020                                |             | 478                            | 478                    |
| Net result for 2020-21                                |             | 130                            | 130                    |
| Total Comprehensive Result for 2020-21                |             | 130                            | 130                    |
| Balance at 30 June 2021                               |             | 608                            | 608                    |
| Net result for 2021-22                                |             | (168)                          | (168)                  |
| Total Comprehensive Result for 2021-22                |             | (168)                          | (168)                  |
| Net assets transferred to the Minister on dissolution | 1.4         | (440)                          | (440)                  |
| Balance at 30 June 2022                               |             | -                              | -                      |

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

# Australian Children's Performing Arts Company

## STATEMENT OF CASH FLOWS

for the year ended 30 June 2022

|   | Note | 2022<br>\$'000 | 2021<br>\$'000 |
|---|------|----------------|----------------|
| <b>Cash flows from operating activities</b>                     |      |                |                |
| <b>Cash inflows</b>   |      |                |                |
| Receipts from SA Government                                     |      | 1,363          | 1,314          |
| Receipts from Commonwealth-sourced grants and funding           |      | 828            | 1,080          |
| Program and other receipts                                      |      | 383            | 358            |
| Insurance claims revenue  |      | -              | 119            |
| Deposits recovered  |      | -              | -              |
| Interest received   |      | 1              | 1              |
| GST recovered from ATO  |      | -              | 4              |
| <b>Cash generated from operations</b>                           |      | <u>2,575</u>   | <u>2,876</u>   |
| <b>Cash outflows</b>  |      |                |                |
| Payments for supplies and services                              |      | (1,479)        | (1,135)        |
| Employee benefit payments                                       |      | (1,236)        | (906)          |
| Grants paid   |      | -              | (150)          |
| Screen project investment funding                               |      | -              | (100)          |
| Deposits paid   |      | (3)            | -              |
| GST paid to the ATO   |      | (59)           | -              |
| <b>Cash used in operations</b>                                  |      | <u>(2,777)</u> | <u>(2,291)</u> |
| <b>Net cash provided by (used in) operating activities</b>      |      | <u>(202)</u>   | <u>585</u>     |
| <b>Cash flows from investing activities</b>                     |      |                |                |
| <b>Cash inflows</b>   |      |                |                |
| Closure of term deposit   |      | -              | 20             |
| <b>Cash generated from investing activities</b>                 |      | <u>-</u>       | <u>20</u>      |
| <b>Cash outflows</b>  |      |                |                |
| Purchases of plant and equipment                                |      | (19)           | (128)          |
| <b>Cash used in investing activities</b>                        |      | <u>(19)</u>    | <u>(128)</u>   |
| <b>Net cash used in investing activities</b>                    |      | <u>(19)</u>    | <u>(108)</u>   |
| <b>Cash flows from financing activities</b>                     |      |                |                |
| <b>Cash outflows</b>  |      |                |                |
| Repayment of right-of-use building leases                       |      | (109)          | (88)           |
| Cash transferred due to dissolution of ACPAC                    |      | (955)          | -              |
| <b>Cash used in financing activities</b>                        |      | <u>(1,064)</u> | <u>(88)</u>    |
| <b>Net cash used in financing activities</b>                    |      | <u>(1,064)</u> | <u>(88)</u>    |
| <b>Net increase (decrease) in cash and cash equivalents</b>     |      | <u>(1,285)</u> | <u>389</u>     |
| <b>Cash and cash equivalents at the beginning of the period</b> |      | <u>1,285</u>   | <u>896</u>     |
| <b>Cash and cash equivalents at the end of the period</b>       | 6.2  | <u>-</u>       | <u>1,285</u>   |

The accompanying notes form part of these financial statements.

# Australian Children's Performing Arts Company

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1. About the Australian Children's Performing Arts Company

The Australian Children's Performing Arts Company (ACPAC), trading as Windmill Theatre Co, is a subsidiary of the Minister for Education, Training and Skills. ACPAC was established by Regulations under the *Public Corporations Act 1993*. ACPAC was dissolved on 30 June 2022 under the *Public Corporations (Australian Children's Performing Arts Company) (Dissolution and Revocation) Regulations 2021*.

A Transfer Deed was entered into on 30 June 2022 between ACPAC, the Minister for Education, Training and Skills and Windmill Production Company Ltd. Windmill Production Company Ltd is a not-for-profit company limited by guarantee incorporated under the Corporations Act 2001 and registered as a charity with the Australian Charities and Not-for-profits Commission. Under the terms of the Transfer Deed, Windmill Production Company Ltd agreed to continue carrying on the activities of ACPAC.

Immediately prior to ACPAC's dissolution, in accordance with the terms of the Transfer Deed, all assets, rights and liabilities of ACPAC were transferred to the Minister for Education, Training and Skills. Immediately after receiving the assets, rights and liabilities of ACPAC, the Minister for Education, Training and Skills transferred the former assets, rights and liabilities of ACPAC to Windmill Production Company Ltd.

Prior to its dissolution ACPAC transferred its investment in its subsidiary, Windmill Pictures Pty Ltd, to Windmill Production Company Ltd.

Further details about Windmill Pictures Pty Ltd and its subsidiaries can be found at note 8.

#### 1.1 Basis of Preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant *Australian Accounting Standards applying simplified disclosures*.

These are the first financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. In the prior year, the financial statements were prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. There has been no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of ACPAC as a result of the change in the basis of preparation.

For the purpose of preparing the financial statements ACPAC is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is identified in the notes to the financial statements.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

Cash flows include GST in the Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

#### 1.2 Objectives of the Australian Children's Performing Arts Company

The objective of ACPAC's, up to the date of dissolution, was to produce, present, facilitate, manage and promote high quality performing arts productions and other arts activities for children, young people, families, schools and other groups or bodies, both within the State, nationally and internationally.

### 1.3 Impact of COVID-19 pandemic

ACPAC's theatre program returned closer to historical levels in 2021-22, albeit with no international touring. COVID infection of cast, crew and creatives presented ongoing disruption and additional expenditure. Further details are provided in the below notes:

- Note 3.1 - Supplies and services
- Note 4.2 - Commonwealth-sourced grants and funding
- Note 4.3 - Program revenues

### 1.4 Changes to ACPAC

*The Public Corporations (Australian Children's Performing Arts Company) (Dissolution and Revocation) Regulations 2021* (dated 9 December 2021) proclaimed that effective from 30 June 2022, ACPAC dissolved and immediately prior to its dissolution, all assets, rights and liabilities are transferred to the Minister for Education, Training and Skills.

The following assets and liabilities for ACPAC were transferred on 30 June 2022:

|                                     | \$'000       |
|-------------------------------------|--------------|
| Cash and cash equivalents           | 955          |
| Receivables - related party         | 74           |
| Receivables - other                 | 30           |
| Property, plant and equipment       | 70           |
| <b>Total assets</b>                 | <b>1,129</b> |
| Payables                            | 123          |
| Other liabilities                   | 377          |
| Employee benefits                   | 189          |
| <b>Total liabilities</b>            | <b>689</b>   |
| <b>Total net assets transferred</b> | <b>440</b>   |

ACPAC net assets transferred to the Minister for Education, Training and Skills as a result of the dissolution of ACPAC, were recognised at their carrying amount. Former ACPAC net assets were subsequently transferred by the Minister for Education, Training and Skills to Windmill Production Company Ltd.

### 1.5 Related Party Transactions

Related parties of ACPAC include its subsidiaries Windmill Pictures Pty Ltd, Mollyvale Holdings Pty Ltd, Beep and Mort Pty Ltd; all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Disclosures relating to key management personnel are set out in Note 2.1.

## **2. Board and employees**

### **2.1 Key management personnel**

Key management personnel includes the Minister, members of the Board, the Executive Director and the Artistic Director. Total compensation for ACPAC's key management personnel during the reporting period ended 30 June 2022 was \$420,000 (2021: \$299,000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

### **Transactions with key management personnel and other related parties**

In 2021-22 Windmill Pictures Pty Ltd paid ACPAC's Executive Director and Artistic Director \$56,000 each, being a share of Producer and Director fees received by Windmill Pictures Pty Ltd (2021: Nil). This is included in the total compensation for ACPAC's key management personnel.

### **2.2 Board members**

Members of the ACPAC Board of Directors during the reporting period were:

Bruce Speirs (Chair)  
Ruth Ambler  
Rosey Batt  
Sophie Doyle  
Richard Harris  
Deonne Smith  
Chris Stewart  
Clare Watson

No members of the ACPAC Board of Directors received remuneration from ACPAC during the reporting period ended 30 June 2022 (2021: Nil).

Except for members of the Board of Directors receiving complimentary tickets to productions and the engagement of one related family members for the provision of an immaterial value of production related services, there were no transactions with members.

### **2.3 Employee benefits expenses**

|   | 2022<br>\$'000 | 2021<br>\$'000 |
|---|----------------|----------------|
| Salaries and wages                      | 979            | 790            |
| Annual and long service leave           | 120            | 93             |
| Employment on-costs - superannuation    | 107            | 85             |
| Employment on-costs - other             | 29             | 26             |
| <b>Total employee benefits expenses</b> | <b>1,235</b>   | <b>994</b>     |

#### **Employment on-costs - superannuation**

The superannuation employment on-cost charge represents ACPAC's contributions to superannuation plans in respect of current services of current ACPAC staff.

#### **Executive remuneration**

No employees received remuneration equal to or greater than the executive base remuneration of \$157,000 in 2021-22 or 2020-21 (remuneration reflects all costs of employment including salaries and wages, payment in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits).

## 2.4 Employee benefits liability

|  | 2022<br>\$'000 | 2021<br>\$'000 |
|--|----------------|----------------|
| <b>Current</b>                             |                |                |
| Accrued salaries and wages                 | -              | 6              |
| Annual leave                               | -              | 58             |
| <b>Total current employee benefits</b>     | <b>-</b>       | <b>64</b>      |
| <b>Non-current</b>                         |                |                |
| Long service leave                         | -              | 87             |
| <b>Total non-current employee benefits</b> | <b>-</b>       | <b>87</b>      |
| <b>Total employee benefits</b>             | <b>-</b>       | <b>151</b>     |

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at the reporting date.

The annual leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

The liability for long service leave is recognised after an employee has completed 5 years of service. This calculation is consistent with ACPAC's experience of employee retention and leave taken. Details about the measurement of long service leave liability is provided at note 10.1.

On 30 June 2022, all ACPAC employees and their entitlements transferred to the Minister for Education, Training and Skills before transferring to Windmill Production Company, refer to note 1.

## 3. Expenses

Employee benefits expenses are disclosed in note 2.3

### 3.1 Supplies and services

|   | 2022<br>\$'000 | 2021<br>\$'000 |
|---|----------------|----------------|
| Artist / contractor expenses                              | 575            | 411            |
| Production costs  | 491            | 155            |
| Theatre costs   | 63             | 80             |
| Marketing productions                                     | 65             | 74             |
| Marketing and publicity expenses                          | 69             | 66             |
| IT and communications                                     | 37             | 37             |
| Education program expenses                                | 44             | 25             |
| Audit fees - Auditor-General's Department South Australia | 23             | 24             |
| Relocation expenses                                       | -              | 22             |
| Minor capital assets                                      | 10             | 23             |
| Production storage expenses                               | 3              | 21             |
| Premises lease and outgoings                              | -              | 8              |
| Agent fees  | 10             | -              |
| Legal fees  | 60             | -              |
| Other sundry expenses                                     | 89             | 88             |
| <b>Total supplies and services</b>                        | <b>1,539</b>   | <b>1,034</b>   |

*Program expenditure (artist/contractor expenses, production costs, theatre costs, marketing productions, commission, agents fees)*  
Program expenditure related to a performance season has been recognised when incurred.

#### Agent fees

Agent fees in 2021-22 were in relation to international performance bookings. There were no international performance bookings in 2020-21.

#### Legal Fees

ACPAC legal fees paid to Thomson Geer Lawyers total \$60,000 in 2021-22 (2020-21 - Nil) and relate entirely to work performed in relation to the dissolution of ACPAC and the establishment of Windmill Production Company Ltd (refer to Note 1 for more information).

#### *Production storage expenses*

Production storage expenses in 2020-21 were mostly for a private storage facility in Hendon. The rental agreement on this facility was a rolling monthly contract that did not meet the definition of a lease in accordance with AASB 16 *Leases*. ACPAC ceased renting the Hendon facility in March 2021 and relocated to a storage facility at TAFE Tea Tree Gully Campus, Modbury. The lease on this facility is recognised in accordance with AASB 16 *Leases*. Interest expense for this lease are included in other sundry expenses, and depreciation expenses for this lease are disclosed in note 3.4.

#### *Premise lease and outgoings*

Premise lease and outgoings in 2020-21 was for ACPAC's lease for 2/234 Sturt Street, Adelaide that expired on 3 August 2020. This agreement did not meet the definition of a lease set out in AASB 16. ACPAC relocated its premises to TAFE SA Adelaide College of the Arts, Light Square in July 2020. This lease is recognised in accordance with AASB 16 *Leases*. Interest expenses for this lease are included in other sundry expenses, and depreciation expenses for this lease are disclosed in note 3.4.

#### *Relocation expenses*

In July 2020 ACPAC relocated its office and rehearsal studio from 2/234 Sturt Street, Adelaide to TAFE SA Adelaide College of the Arts, Light Square. In March 2021 ACPAC relocated its main production storage facility from a private facility in Hendon, to a storage facility at TAFE Tea Tree Gully Campus, Modbury.

### **3.2 Grants**

|   | 2022     | 2021       |
|---|----------|------------|
|   | \$'000   | \$'000     |
| Windmill Pictures Pty Ltd operational funding | -        | 150        |
| <b>Total Grants Paid</b>                      | <b>-</b> | <b>150</b> |

In 2020-21 ACPAC provided operational funding to its subsidiary Windmill Pictures Pty Ltd.

### **3.3 Screen project investment funding**

|  | 2022     | 2021       |
|--|----------|------------|
|  | \$'000   | \$'000     |
| Screen project investment funding              | -        | 100        |
| <b>Total screen project investment funding</b> | <b>-</b> | <b>100</b> |

In 2020-21 ACPAC provided funding for a screen produced by a subsidiary Mollyvale Holdings Pty Ltd.

### **3.4 Depreciation and amortisation**

|  | 2022       | 2021       |
|--|------------|------------|
|  | \$'000     | \$'000     |
| Right-of-use buildings                     | 108        | 91         |
| Leasehold improvements                     | 38         | 18         |
| Computer equipment                         | 6          | 7          |
| Office equipment                           | 7          | 7          |
| Production equipment                       | 11         | 3          |
| <b>Total depreciation and amortisation</b> | <b>170</b> | <b>126</b> |

All non-current assets having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

#### *Useful Life*

Depreciation and amortisation are calculated on a straight-line basis over the estimated useful life of the following classes of assets:

| Class of asset         | Useful life (years) |
|------------------------|---------------------|
| Right-of-use buildings | 3 - 5               |
| Leasehold improvements | lease term          |
| Computer equipment     | 3 - 5               |
| Office equipment       | 5 - 7               |
| Production equipment   | 5 - 7               |

On 30 June 2022, the lease with TAFE SA was terminated on ACPAC's dissolution and the remaining leasehold improvements were written off in line with ACPAC accounting policy.

#### 4. Income

##### 4.1 Revenues from SA Government

|   | 2022         | 2021         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| Operating grant                               | 1,134        | 1,108        |
| Windmill Pictures Pty Ltd operational funding | -            | 150          |
| Special purpose grants                        | 97           | 146          |
| <b>Total revenues from SA Government</b>      | <b>1,231</b> | <b>1,404</b> |

##### *Operating grant and Windmill Pictures Pty Ltd operational funding*

These funds are provided by the Department for Education, and are recognised on receipt in accordance with AASB 1058.

##### *Special purpose grants*

ACPAC received special purpose grants from the Department for Education and the Department for the Premier and Cabinet. Where special purpose grants have sufficiently specific performance obligations, these grants are recognised at the point in time when the performance obligation is met, in accordance with AASB 15. Where no sufficiently specific performance obligation is stipulated, special purpose grants are recognised on receipt under AASB 1058.

##### 4.2 Commonwealth-sourced grants and funding

|  | 2022         | 2021       |
|--|--------------|------------|
|  | \$'000       | \$'000     |
| Australia Council:                                   |              |            |
| Operating grant                                      | 505          | 500        |
| Special purpose grants                               | 555          | 69         |
| Australian Taxation Office:                          |              |            |
| COVID-19 Cash flow boost                             | -            | 50         |
| <b>Total commonwealth-sourced grants and funding</b> | <b>1,060</b> | <b>619</b> |

##### *Australia Council*

##### *Operating grant*

ACPAC's operating grants are provided through the National Performing Arts Partnership Framework (NPAPF) funding agreement between the State Government, Australian Government and ACPAC. ACPAC's current NPAPF funding agreement expires on 31 December 2024. Through the NPAPF, ACPAC has an in-principle commitment for a further 4-year funding through to 31 December 2028.

Australia Council operating grants are recognised on receipt in accordance with AASB 1058.

##### *Special purpose grants*

Special purpose grant revenue is recognised at the point in time when the project is completed, in accordance with AASB 15. Project grants are recognised in the Statement of Financial Position as a contract liability until the performance obligations are completed.

During 2020-21 and 2021-22, ACPAC received \$226,000 in project grants from Australia Council for program touring activity scheduled to be delivered in 2022-23. As the performance obligations have not been met, a contract liability is recognised for the received grants, refer to Note 7.4.

##### *COVID-19 Support*

ACPAC did not receive cash flow boost from the ATO in 2021-22 (2020-21: \$50,000). This income was recognised on receipt in accordance with AASB 1058.

##### 4.3 Program revenues

|                               | 2022       | 2021       |
|-------------------------------|------------|------------|
|                               | \$'000     | \$'000     |
| Box office                    | 65         | 123        |
| Presenter fees                | 147        | 21         |
| Other program recoveries      | 20         | 13         |
| <b>Total program revenues</b> | <b>222</b> | <b>157</b> |

Program revenues are recognised in accordance with AASB 15. Usually revenue is recognised at the completion of a performance season (the performance obligation). Presenter fees, box office income and other program recoveries for future productions and productions in progress at reporting date are recognised in the Statement of Financial Position as a contract liability until the production is complete.

##### *COVID-19 Impact*

The 2021-22 artistic program was adapted from ACPAC's 2021 - 2024 strategic plan to accommodate ongoing COVID-19 challenges. Presenter fees were higher than the previous year, but are not expected to return to historical levels until international touring resumes. Box office income was lower than 20-21 due to the unusually high number of Adelaide presentation in 2020-21 due to the reduced national touring in these years as a result of travel restrictions. Box office income in 2021-22 was also impacted by the forced cancellation of an Adelaide presentation mid-season due to two lead cast members being infected with COVID-19.

#### 4.4 Salary recoveries

|                                | 2022       | 2021     |
|--------------------------------|------------|----------|
|                                | \$'000     | \$'000   |
| Beep and Mort Pty Ltd          | 77         | -        |
| Windmill Pictures Pty Ltd      | 47         | -        |
| <b>Total salary recoveries</b> | <b>124</b> | <b>-</b> |

ACPAC employees provided services to subsidiaries in 2021-22. The costs associated with the services provided by ACPAC employees were recharged.

#### 4.5 Donations

|                        | 2022      | 2021       |
|------------------------|-----------|------------|
|                        | \$'000    | \$'000     |
| Trusts and foundations | 50        | 75         |
| Individuals            | 24        | 33         |
| <b>Total Donations</b> | <b>74</b> | <b>108</b> |

Donations are recognised on receipt.

#### 4.6 Service fees

|                           | 2022      | 2021      |
|---------------------------|-----------|-----------|
|                           | \$'000    | \$'000    |
| Directing fees            | -         | 23        |
| Producing fees            | 20        | -         |
| Administrative fees       | 10        | -         |
| Marketing fees            | 30        | -         |
| <b>Total service fees</b> | <b>60</b> | <b>23</b> |

In 2021-22 ACPAC provided producing, administrative and marketing services to its subsidiary, Windmill Pictures Pty Ltd. These expenses were recharged based on commercial rates for similar services. These fees were waived in 2020-21 due to reduced services provided by ACPAC.

In 2021-22 ACPAC did not provide directing services to a third party (2020-21 \$23,000).

#### 4.7 Insurance claims revenue

|                         | 2022     | 2021       |
|-------------------------|----------|------------|
|                         | \$'000   | \$'000     |
| Insurance claim revenue | -        | 119        |
|                         | <b>-</b> | <b>119</b> |

In 2020-21 ACPAC received an insurance claim payment from SAICorp to compensate for presenter fees lost due to the partial cancellation of the Beep US and Canada tour in 2019-20 as a result of COVID-19 related venue and travel restrictions.

#### 4.8 Other revenues

|                                    | 2022      | 2021      |
|------------------------------------|-----------|-----------|
|                                    | \$'000    | \$'000    |
| Cost recoveries                    | 31        | -         |
| Interest                           | 1         | 2         |
| Sponsorship - commercial - in kind | 22        | 21        |
| Return on screen project funding   | -         | 6         |
| Miscellaneous revenue              | 22        | 4         |
| <b>Total Other revenues</b>        | <b>76</b> | <b>33</b> |

##### Cost recoveries

Expenses recharged to subsidiaries for equipment and storage facility usage.

##### In-kind services and sponsorship

In-kind services and sponsorship are recognised in the period that the in-kind goods or services are received.

##### Return on screen project funding

In 2014-15 ACPAC provided \$255,000 of funding for the feature film 'Girl Asleep'. The return on screen project funding represents ACPAC's entitlement to a share of distribution receipts, in proportions set out in the Production Investment Agreement.

## 5. Non-financial assets

On 30 June 2022, all non-financial assets were transferred to the Minister for Education, Training and Skills (refer to note 1).

### 5.1 Property, plant and equipment by asset class

Property, plant and equipment comprises tangible assets owned and right-of-use (lease) assets. The assets presented below do not meet the definition of investment property.

|  | 2022<br>\$'000 | 2021<br>\$'000 |
|--|----------------|----------------|
| <b>Production equipment</b>                        |                |                |
| Production equipment at cost (deemed fair value)   | -              | 59             |
| Accumulated depreciation at the end of the period  | -              | (11)           |
| <b>Total production equipment</b>                  | -              | 48             |
| <b>Leasehold improvements</b>                      |                |                |
| Leasehold improvements at cost (deemed fair value) | -              | 56             |
| Accumulated amortisation at the end of the period  | -              | (18)           |
| <b>Total leasehold improvements</b>                | -              | 38             |
| <b>Office equipment</b>                            |                |                |
| Office equipment at cost (deemed fair value)       | -              | 48             |
| Accumulated depreciation at the end of the period  | -              | (21)           |
| <b>Total office equipment</b>                      | -              | 20             |
| <b>Computer equipment</b>                          |                |                |
| Computer equipment at cost (deemed fair value)     | -              | 28             |
| Accumulated depreciation at the end of the period  | -              | (21)           |
| <b>Total computer equipment</b>                    | -              | 7              |
| <b>Right-of-use buildings</b>                      |                |                |
| Right-of-use buildings                             | -              | 499            |
| Accumulated depreciation at the end of the period  | -              | (91)           |
| <b>Total right-of-use buildings</b>                | -              | 408            |
| <b>Total Property, plant and equipment</b>         | -              | 521            |

### 5.2 Plant and equipment owned by ACPAC

Plant and equipment owned by ACPAC with a value equal to or in excess of \$3,000 is capitalised, otherwise it is expensed.

Plant and equipment owned by ACPAC is recorded at fair value. Detail about ACPAC's approach to fair value is set out in note 10.2.

#### Impairment

Plant and equipment owned by ACPAC is assessed for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

There were no indications of impairment of plant and equipment at 30 June 2022.

#### Reconciliation 2021-22

The following table represents ACPAC's non-financial assets.

|  | Note | Production<br>equipment<br>\$'000 | Leasehold<br>improvements<br>\$'000 | Office<br>equipment<br>\$'000 | Computer<br>equipment<br>\$'000 | Right-of-use<br>buildings<br>\$'000 | Total<br>\$'000 |
|--|------|-----------------------------------|-------------------------------------|-------------------------------|---------------------------------|-------------------------------------|-----------------|
| Carrying amount at the beginning of the period |      | 48                                | 38                                  | 20                            | 7                               | 408                                 | 521             |
| Acquisitions                                   |      | 7                                 | -                                   | -                             | 12                              | -                                   | 19              |
| Depreciation/amortisation expenses             | 3.4  | (11)                              | (38)                                | (7)                           | (6)                             | (108)                               | (170)           |
| Assets written off                             |      | -                                 | -                                   | -                             | -                               | (300)                               | (300)           |
| Assets transferred out on dissolution          | 1.4  | (44)                              | -                                   | (13)                          | (13)                            | -                                   | (70)            |
| Carrying amount at the end of the period       |      | -                                 | -                                   | -                             | -                               | -                                   | -               |

### 5.3 Property leased by ACPAC

Right-of-use buildings leased by ACPAC are recorded at cost. Additions to leased property during 2021-22 were nil (2020-21: \$499,000).

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15,000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 3.1.

ACPAC leases office and rehearsal space at TAFE SA Adelaide College of the Arts, Light Square. This lease commenced in July 2020 and was terminated on the dissolution of ACPAC on 30 June 2022.

ACPAC leases storage facilities at TAFE Tea Tree Gully Campus, Modbury. This lease commenced in March 2021 and was terminated on the dissolution of ACPAC on 30 June 2022.

The lease liabilities related to the right-of-use assets are disclosed in note 7.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 3.

## 6. Financial assets

On 30 June 2022, all financial assets were transferred to the Minister for Education, Training and Skills (refer to note 1).

### 6.1 Categorisation of financial assets

| Financial assets                   | 2022     | 2021         |
|------------------------------------|----------|--------------|
| Cash and cash equivalents          | \$'000   | \$'000       |
| Cash and cash equivalents          | -        | 1,285        |
| Financial assets at amortised cost |          |              |
| Receivables                        | -        | 15           |
| <b>Total financial assets</b>      | <b>-</b> | <b>1,300</b> |

Receivables as disclosed in this note does not include statutory amounts as these are not financial instruments.

### 6.2 Cash and cash equivalents

|  | 2022     | 2021         |
|--|----------|--------------|
|  | \$'000   | \$'000       |
| Cash on hand                           | -        | 1            |
| Short term deposit - SAFA              | -        | 1,125        |
| Cash at bank                           | -        | 159          |
| <b>Total Cash and cash equivalents</b> | <b>-</b> | <b>1,285</b> |

Cash is measured at nominal amounts.

#### Short-term deposits

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with SAFA and earn interest at the respective short-term deposit rates.

### 6.3 Receivables

|   | 2022     | 2021      |
|---|----------|-----------|
|   | \$'000   | \$'000    |
| <b>Receivables</b>  |          |           |
| Debtors from non-government entities                          | -        | 9         |
| Prepayments for future productions to non-government entities | -        | 65        |
| Other prepayments to non-government entities                  | -        | 16        |
| Accrued income from non-government entities                   | -        | 6         |
| <b>Statutory receivables</b>                                  |          |           |
| GST input tax recoverable                                     | -        | -         |
| <b>Total statutory receivables</b>                            | <b>-</b> | <b>-</b>  |
| <b>Total current receivables</b>                              | <b>-</b> | <b>96</b> |

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables but are not classified as financial instruments for disclosure purposes.

Receivables are non-interest bearing. Receivables are held with the objective of collecting contractual cash flows and they are measured at amortised cost.

## 7. Liabilities

On 30 June 2022, all ACPAC liabilities were transferred to the Minister for Education, Training and Skills.

Employee benefits liabilities are disclosed in note 2.4

### 7.1 Categorisation of financial liabilities

|                                    | 2022     | 2021       |
|------------------------------------|----------|------------|
|                                    | \$'000   | \$'000     |
| <b>Financial liabilities</b>       |          |            |
| Payables                           | -        | 3          |
| Lease liabilities                  | -        | 414        |
| Other financial liabilities        | -        | -          |
| <b>Total financial liabilities</b> | <b>-</b> | <b>417</b> |

Payables as disclosed in this note does not include accrued expenses or statutory amounts as these are not financial instruments.

### 7.2 Payables

|   | 2022     | 2021       |
|---|----------|------------|
|   | \$'000   | \$'000     |
| <b>Current</b>                              |          |            |
| Creditors to non-government entities        | -        | 3          |
| Accrued expenses to non-government entities | -        | 14         |
| <b>Statutory payables</b>                   |          |            |
| GST payable                                 | -        | 40         |
| PAYG payable                                | -        | 36         |
| Audit fee - Auditor-General's Department    | -        | 24         |
| FBT payable                                 | -        | 3          |
| Employment on-costs                         | -        | 10         |
| <b>Total statutory payables</b>             | <b>-</b> | <b>113</b> |
| <b>Total current payables</b>               | <b>-</b> | <b>130</b> |
| <b>Non-current</b>                          |          |            |
| Employment on-costs                         | -        | 6          |
| <b>Total non-current payables</b>           | <b>-</b> | <b>6</b>   |
| <b>Total payables</b>                       | <b>-</b> | <b>136</b> |

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts.

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

### Employment on-costs

Employment on-costs include ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

ACPAC makes contributions to several externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

The actuarial assessment performed by the Department of Treasury and Finance left the proportion of long service leave taken unchanged at 42%. As a result, there is no net financial effect resulting from changes in this rate.

### 7.3 Financial liabilities

|  | 2022<br>\$'000 | 2021<br>\$'000 |
|--|----------------|----------------|
| <b>Current</b>                                 |                |                |
| Lease liability                                | -              | 107            |
| <b>Total current financial liabilities</b>     | -              | 107            |
| <b>Non-current</b>                             |                |                |
| Lease liability                                | -              | 307            |
| <b>Total non-current financial liabilities</b> | -              | 307            |
| <b>Total financial liabilities</b>             | -              | 414            |

ACPAC lease agreements were terminated on dissolution at 30 June 2022, and new leases with the new operating entity Windmill Production Company Ltd were entered into from 1 July 2022.

ACPAC measures financial liabilities including borrowings/debt at amortised cost.

### 7.4 Contract liabilities

|  | 2022<br>\$'000 | 2021<br>\$'000 |
|--|----------------|----------------|
| Contract liabilities - Commonwealth Government | -              | 581            |
| Contract liabilities - presenter fees          | -              | 83             |
| Other  | -              | -              |
| <b>Total other liabilities</b>                 | -              | 664            |

#### Contract liabilities - Commonwealth Government grants

Amounts disclosed as contract liabilities are consideration received from Australia Council or the Department of the Premier and Cabinet for which revenue is recognised upon completion of the programs. The programs involve national touring programs, the production of online content and NPAPF transition projects.

## 8. Other Disclosures

### 8.1 Subsidiaries

In 2017, ACPAC established a wholly owned subsidiary, Windmill Pictures Pty Ltd, incorporated under the Corporations Act 2001. This entity was established to administer the development of stage-to-screen adaptations of ACPAC's productions.

In 2021 Windmill Pictures established two subsidiaries, Molyvale Holdings Pty Ltd and Beep and Mort Pty Ltd to facilitate the production of the TV series Beep and Mort.

ACPAC disposed of its shareholding in Windmill Pictures Pty Ltd at 30 June 2022 for no consideration. Immediately prior to this disposal ACPAC recognised its investment in Windmill Pictures Pty Ltd and its subsidiaries as a net liability of \$151,000 on the Statement of Financial Position, after recognising a notional loss on investment of \$222,000 in 2021-22 (notional gain on investment of \$71,000 recognised in 2020-21).

The consolidated financial position of Windmill Pictures Pty Ltd and its subsidiaries is provided below:

|                             | 2022<br>\$'000 | 2021<br>\$'000 |
|-----------------------------|----------------|----------------|
| Cash and cash equivalents   | 161            | 166            |
| Trade and other receivables | 26             | 28             |
| Film asset                  | 4,373          | -              |
| <b>Total assets</b>         | <b>4,560</b>   | <b>194</b>     |
| Trade and other payables    | 84             | 16             |
| Borrowings                  | 1,358          | -              |
| Contract liabilities        | 3,255          | 9              |
| Accrued expenses            | 14             | 33             |
| <b>Total liabilities</b>    | <b>4,711</b>   | <b>58</b>      |
| <b>Net liabilities</b>      | <b>(151)</b>   | <b>136</b>     |
| <b>Equity</b>               |                |                |
| Retained earnings           | (151)          | 71             |
| Shareholder's equity        | -              | -              |
| Non-controlling interest    | -              | 65             |
| <b>Total equity</b>         | <b>(151)</b>   | <b>136</b>     |

The film asset is the production of the TV series Beep and Mort that was delivered in September 2022.

Borrowings represents Beep and Mort Pty Ltd's loan agreement with Fulcrum Media Finance 2 Pty Ltd to finance the producer offset component of the Beep and Mort TV series production budget. The \$1,358,000 will be repaid in full when the producers offset tax rebate is received by the Australian Taxation Office on lodgement of Beep and Mort Pty Ltd's tax return.

Contract liabilities are unearned grant revenue from State and Commonwealth screen funding bodies that will be recognised in full on delivery of the TV series.

## **9. Outlook**

### **9.1 Unrecognised commitments**

There are no commitments for ACPAC at 30 June 2022 (nil at 30 June 2021).

### **9.2 Contingent assets and liabilities**

ACPAC is not aware of any contingent assets and liabilities.

### **9.3 Events after the end of reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

There were no events at the end of the reporting period that have material financial implications on these financial statements.

## **10. Measurement and Risk**

### **10.1 Long Service Leave - Measurement**

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government Bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government Bonds has increased from 2021 (1.25%) to 2022 (3.5%).

The financial effect of the changes in the long-term Commonwealth Government Bond yield in the current year is not material. The impact on future periods is impracticable to estimate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 2.5% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled in the next 12 months, based on previous experience and known application for leave.

### **10.2 Fair Value**

AASB 13 Fair Value Measurement defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

#### **Initial Recognition**

Non-current tangible assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

#### **Revaluation**

ACPAC is required to revalue items of plant and equipment that had a fair value at the time of acquisition greater than \$1.5 million and had an estimated useful life of greater than 3 years. ACPAC has no items of plant and equipment that meet this criteria.