

Annual Report

2013 | 2014



Perth Theatre Trust

Perth Theatre Trust

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East St George's Terrace
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Ph: (08) 9231 9900
Fax: (08) 9325 1283
Website: www.perthconcerthall.com.au

Subiaco Arts Centre

180 Hamersley Road
Subiaco, WA 6008
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Fax: (08) 9382 2245
Website: www.subiacoartscentre.com.au

His Majesty's Theatre

825 Hay Street
Perth, Western Australia 6000
Ph: (08) 9265 0900
Fax: (08) 9321 5142
Website: www.hismajestystheatre.com.au

State Theatre Centre of Western Australia

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

Albany Entertainment Centre

2 Toll Place (off Princess Royal Drive)
Albany, WA 6330
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Box Office: (08) 9844 5005
Website: www.albanyentertainment.com.au

Contents



Letter of Transmission	2
Year in summary	3
Chairman's report	4
General Manager's report	5
Perth Theatre Trust statistical summary	6
Overview of the agency	7
Operational structure	8
Organisational chart	13
Performance Management Framework - Achieving Government goals	14
Agency performance	15
Agency performance against strategic goals	16
Events with Perth Theatre Trust involvement	17
Venue Management reports	19
AEG Ogden (Perth) Pty Ltd	20
Perth Concert Hall	21
His Majesty's Theatre	24
Subiaco Arts Centre	27
State Theatre Centre of Western Australia	30
Albany Entertainment Centre	34
Museum of Performing Arts	37
Significant issues impacting the agency	38
Disclosures and legal compliance	40
Ministerial directives	41
Other financial disclosures	41
Governance disclosures	41
Board and committee remuneration	42
Other legal requirements	43
Government policy requirements	45
Auditor General's opinion	47
Certification of performance indicators	50
Performance indicators	51
Certification of financial statements	55
Financial statements	56

Letter of Transmission

In accordance with Section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Perth Theatre Trust for the financial year ended 30 June 2014.

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



The Hon. Peter Blaxell
Chairman

4 Septemeber 2014



Year in summary



Chairman's report

The past year saw an important decision by the State Government to implement a revised future management model for venues operated by Perth Theatre Trust. Under the new system the present totally outsourced model will be replaced with direct management by the Trust (other than for food and beverage services which will be put out to tender).

These new arrangements will take effect on 1 January 2015, and in the meantime AEG Ogden (Perth) Pty Ltd (AEGOP) will continue to be manager. AEGOP has been the custodian of our venues for more than 15 years, and during that period has played a significant role in fostering local performing arts. On behalf of the Perth Theatre Trust I acknowledge and thank General Manager Rodney Phillips and all of his staff (past and present) for the valuable contributions they have made to the performing arts sector in this State.

I also extend a warm welcome to the great majority of present staff who will continue at our venues under the new management system. Perth Theatre Trust will be relying on their skills in helping to achieve optimum use of our venues in accordance with the following public interest objectives:

1. Quality and variety of programming across all genres to the widest possible audiences.
2. Value for money for the theatre going public.
3. Support for, and development of, the local performing arts sector.
4. Maximum value to taxpayers for each subsidy dollar.

The new venue management system will also result in a more direct relationship between Perth Theatre Trust and each of its stakeholders. This will provide the opportunity for us to work cooperatively with all elements of the local performing arts industry for the mutual benefit of all. In this regard we believe that our stakeholders' objectives are just as important as our own, and that a collaborative approach will be likely to produce much better outcomes.

I thank all of Perth Theatre Trust's staff who are working very hard on the transition project under the leadership of Acting General Manager Rudi Gracias. I also thank all of my fellow Board members for their dedication and commitment. I particularly thank retiring Board member Helen Cook for her valuable input. We will miss her strategic focus and her clear eyed insights into the things that really matter.

Finally, I pay tribute to Alan Ferris who is departing Perth Theatre Trust after lengthy service including six years as its General Manager. I speak for all staff and Board members in wishing Alan well for his future career in the higher levels of the Public Service. He can be proud of his legacy which is a Perth Theatre Trust in good shape with great confidence in its future.



The Hon. Peter Blaxell
Chairman

General Manager's report

This year has been characterised by significant changes and challenges for the Perth Theatre Trust.

In April 2014, the Minister for Culture and the Arts, Hon. John Day MLA, announced that from 1 January 2015, the Trust would directly manage the venues currently under its control. The State Government's decision was informed by work undertaken by the Trust and a consultant's report. A transition team has been formed to work on the changeover process.

A further announcement made by the State Government this year was that Perth Theatre Trust would continue to manage the Albany Entertainment Centre for an additional year until 30 June 2015. The Trust will continue to work with the City of Albany on the long term management options for the venue.

In relation to programming, the Trust has continued to invest in a range of diverse productions across its venues to fill gaps between resident company bookings. I am also pleased to report on the number of events and attendances at Trust venues during the year. The Perth Concert Hall and the State Theatre Centre of WA both enjoyed increased attendances in 2013/14, while His Majesty's Theatre had increased events from 157 in 2012/13 to 227 in 2013/14. A highlight this year was the Australian premiere of the Royal Concertgebouw Orchestra, with 2609 patrons attending two performances at the Perth Concert Hall. Other highlights included the inaugural Independent Theatre Festival at the Subiaco Arts Centre and performances by Circus Oz, Sydney Dance Company's '2 One Another' at His Majesty's and Albany Entertainment Centre and the Australian Dance Theatre's 'G' at the State Theatre Centre.

Perth Theatre Trust continued to support community events such as the Performing Arts Perspectives at His Majesty's Theatre, which showcases outstanding performances by Year 11 and 12 Performing Arts students, and seasons of Morning Melodies and Cabaret Soiree at Downstairs at the Maj.

A development during the year was the activation of 192 William Street, Northbridge, on a short term basis. The premises have been leased to Propel Youth Arts WA until December 2014.

A priority for Perth Theatre Trust is the ongoing maintenance and improvement of our venues and we continue to work with the Department of Culture and the Arts and key agencies to progress our case for increased funding.

Looking ahead, the Trust has some challenges to face but also much to be excited about. New staff will be joining us on the journey as we look at new ways of working smarter, building our brand, engaging with the local performing arts sector and, importantly, keeping our venues active and enhancing the cultural lives of West Australians. We have already started this process and have met with our resident companies, as we work to build and enhance our relationships with them and other key stakeholders.

I would like to take this opportunity to thank the Perth Theatre Trust Board and staff for their significant contribution and achievements over the past year.

Importantly, I would also like to take this opportunity to thank AEG Ogden (Perth) who have managed the Perth Theatre Trust venues over the past 15 years.



Rudi Gracias
A/General Manager

Perth Theatre Trust statistical summary

Operating Expenditure: \$27.9 million

Revenue: \$14.9 million

Funding from State Government: \$15.1 million

Employees

Perth Theatre Trust employed the equivalent of 5.84 full time employees:

4 Full-time

3 Part-time

Venue manager AEG Ogden (Perth) employed:

67 Full-time employees

14 Part-time employees

151 Casual employees

Total employees: 232

Venues managed:

- Perth Concert Hall
- His Majesty's Theatre
- Subiaco Arts Centre
- State Theatre Centre of Western Australia
- Albany Entertainment Centre

Total number of performances or events at Trust venues in 2013/14: 1,121

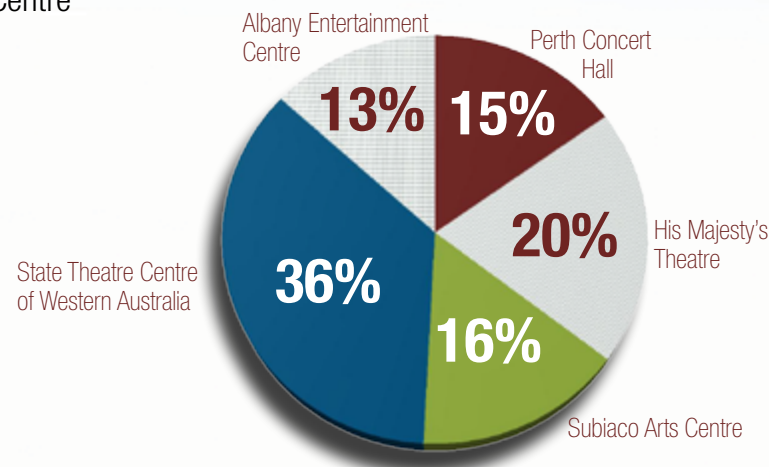
Total number of attendances at Trust venues in 2013/14: 512,212

Venue statistics:

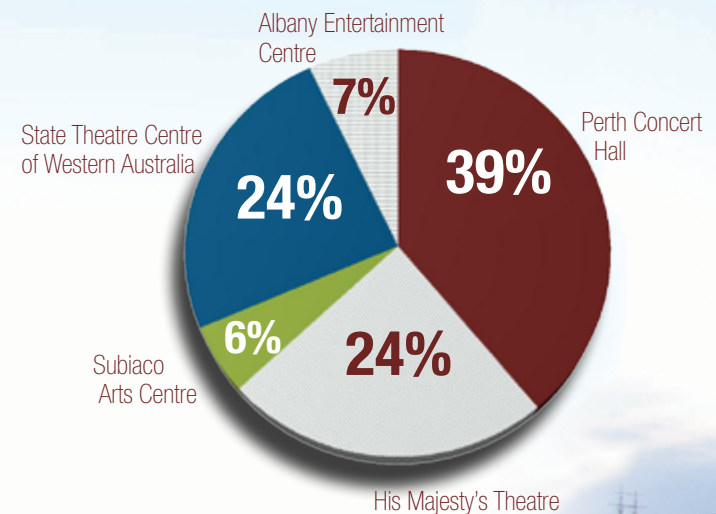
- Perth Concert Hall
170 events, attended by 199,789 patrons
- His Majesty's Theatre
227 events attended by 122,947 patrons
- Subiaco Arts Centre
173 events attended by 28,116 patrons
- State Theatre Centre of Western Australia
402 events attended by 125,201 patrons
- Albany Entertainment Centre
149 events attended by 36,159 patrons

6

Events



Attendance



Overview of the agency



Operational structure

The Perth Theatre Trust is responsible for the care, control, management, maintenance, operation and improvement of theatres under its control. The venues currently under the control of the Trust are:

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

The Trust venues are managed on behalf of the Trust by AEG Ogden (Perth) Pty Ltd through a management agreement. This agreement ends on 31 December 2014.

The Trust's venues are used by local, national and international performing arts companies, performers and artists, both professional and amateur. School and children's performances and activities are also presented at these venues. Funded arts organisations presenting regular seasons in Trust venues include the Barking Gecko Theatre Company, Black Swan State Theatre Company, Perth Theatre Company, West Australian Ballet, West Australian Opera, West Australian Symphony Orchestra as well as the Perth International Arts Festival.

The Trust supports the presentation or co-production of some events in its theatres and provides a range of theatre-related services to customers and hirers through its venue managers AEG Ogden (Perth). These services include the management of the ticketing services agreement with Ticketek Pty Ltd and the box offices at the venues; food and beverage operations; and the Museum of Performing Arts at His Majesty's Theatre.

The Trust operates in the Culture and Arts Portfolio. The Department of Culture and the Arts provides corporate support to the Trust, including human resources, financial and information system support.

The Trust's current strategic plan is *Showtime 2009-2014*.



Enabling legislation

The Perth Theatre Trust is a statutory authority established and constituted under the *Perth Theatre Trust Act 1979*, to manage and operate theatres vested in or leased to it.

Responsible Minister

The Hon. John Day MLA Minister for Culture and the Arts.

Organisational structure

Board of Trustees

Role and operations

The Board consists of eight members appointed by the Governor under Section 5 of the *Perth Theatre Trust Act 1979*. Of these eight members, four are nominated by the Minister for Culture and the Arts, three are nominated by the City of Perth and an ex-officio position is held by the Director General of the Department of Culture and the Arts. Board meetings are held on a bi-monthly basis with sub-committees for programming, finance and audit and risk management convened throughout the year.

The Hon. Peter Blaxell, Chair

(Appointed January 2013)

The Hon. Peter Blaxell graduated with a Bachelor of Laws from The University of Western Australia (UWA) in 1967. He was an articled Clerk then Solicitor and Partner at Lavan & Walsh from 1967 to 1974.

He was Coordinator of the Law Society's Legal Assistance Scheme from 1974 - 1975 and established the Kununurra office of the Aboriginal Legal Service in 1975. He joined the Independent Bar in 1975 practising solely as a Barrister until 1991. He was a Judge of the District Court of WA from 1991 to 2005, and for several years was Judge in charge of the Civil List.

Judge Blaxell was appointed to the Supreme Court of WA in 2005, and in 2007 became Judge in charge of the Criminal List. He retired from the Bench in 2011.

He was an inaugural Trustee of the Special Air Service Resources Trust in 1996 and replaced Hon. David Malcolm AC QC as Chairman in 2010. Currently, he also holds positions as Chair of the Independent Media Council and of the Board of Trustees of the Fremantle Sailing Club.



Max Kay AM CitWA

(Appointed April 2011)

Max Kay arrived in Perth from Scotland in 1967 and opened the Civic Theatre Restaurant where he wrote, produced and performed in his own shows.

Max writes comedy scripts, radio and television commercials and is a lifelong member of Equity and the Music Arrangers Guild of Australia.

He was awarded Citizen of the Year for the Arts Culture and Entertainment category in 2001 and in 2003 he was awarded an Order of Australia (AM) for his work in many charities and community projects.

He is the President of the National Trust (WA), and a Board Member of St Bartholomew's Foundation for the Homeless, the Swan Bells Foundation, the Royal Perth Hospital Heritage Society Inc, and Curtin Radio 100.1 FM. He is also Chairman of the Council of the Sir David Brand School and Patron of Camp Quality, Midnite Youth Theatre Company and The Gilbert and Sullivan Society.

Helen Cook

(Appointed April 2011)

Helen Cook has been closely involved in WA arts and culture for the past 12 years holding various board positions in the sector including Chair of the Art Gallery of WA from 2006 to 2010 (Board member from 2004-10), board and founding role of the Chamber of Arts and Culture WA since 2010, Panel Member of the Performing Arts Panel of the Australia Council from September 2013 and Board member of Future Now, the Creative and Leisure Industries Training Council. She is a past Council member of the Friends of the Perth International Arts Festival and the Heart Foundation of WA.

In addition to her current arts roles, Helen currently sits on the Board of RACWA Holdings Pty Ltd, RAC Finance Ltd, the Minerals Research Institute of WA and the UWA Mining Energy and Natural Resources Law Advisory Board.

Helen has over 25 years commercial experience commencing with Arthur Andersen in 1989 and Corrs Chambers Westgarth in 1993. In 1997 she commenced with KPMG and began specialising in commercial and market development in the energy and resources industry. She was appointed National Partner, KPMG's Energy and Natural Resources Group in 2008 until her retirement from the partnership in December 2013.



Morgan Solomon

(Appointed January 2013)

A partner at Perth law firm BBV heading up the Commercial and Estates team, Morgan is a well-established lawyer with many years' experience in commercial, business and litigation.

A third generation West Australian lawyer he has a passion for the arts having completed his honours thesis in Fine Art at UWA in 1994 prior to his study and career in law.

Morgan has been a member of the FORM Board for six years, sits on the Board of the Prostate Cancer Foundation (WA), and is a member of several arts organisations, including the Chamber of Arts and Culture WA, of which he is a founding member.

He has worked as legal adviser for the Save the Children Fund and the Black Swan Art Prize and was a member of KPMG AdviceBank legal team for the Australian Business and the Arts. Morgan currently holds the position of Chairman of Law Australasia.

Cr Jim Adamos

(Appointed January 2012)

Jim Adamos was elected to the City of Perth as a Councillor in October 2011.

Cr Adamos has been a long-term resident of the city. He is married with two young children and has worked and owned businesses in the city for over 25 years. Cr Adamos is a member of the Council's Marketing, Sponsorship, International Relations and Employment committees and an alternate member of the Perth Development Assessment Panel.

He is was also a Councillor of Tamala Park Regional Council and was previously a Board Member of the Perth Convention Bureau.

Deputy Lord Mayor Cr Rob Butler

(Appointed September 2003)

Rob Butler has 20 years of local government experience both as a Councillor and former Deputy Mayor, City of Subiaco.

He is currently WA Executive Director of three successful manufacturing and supply companies servicing the mining, oil, gas and general engineering industries throughout Australia.

Cr Butler was a former Director of the Hole in the Wall Theatre and the WA State Theatre Company. He was elected to the City of Perth in May 2003. He is Chairman of the City of Perth Planning Committee, and a member of the Audit and Finance Committee.

Cr Butler is an active member on many Boards including, Perth Local Chambers, and the WA Local Government representative Central Zone for the City of Perth.

Cr Janet Davidson OAM JP

(Appointed January 2008)

Janet Davidson holds a Master's Degree in Management from UWA, a GAICD (Graduate of the Australian Institute of Company Directors) and is also a trained teacher. Janet is a member of the Australian Institute of Management and Australian Institute of Company Directors. She is a Justice of the Peace and an Ambassador for the Year of the Outback.

Cr Davidson was elected to the City of Perth in 1998 and Chairs the Finance and Budget Committee and Audit Committee. She was elected Deputy Lord Mayor in 2011 and also held the position in 2009. She is also the Executive Officer to the WA Regional Office/Committee of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists.

Her membership includes: Library Board of WA (former Chairman), the Australia Day Council of WA, Local Chambers Perth City Executive Committee and WA Local Government Association State Councillor. Cr Davidson is a Board Member (previous National Vice President) for Australian Local Government Women's Association and sits on the Australian Local Government Association Board as the ALGWA representative.

Alan Ferris

(Ex Officio)

Alan Ferris was the Acting Director General, Department of Culture and the Arts (DCA). He had been the General Manager, Perth Theatre Trust, between 2008 and 2013.

Prior to this he was Chief Financial Officer DCA, a role which also had responsibility for the Art Gallery of WA, Perth Theatre Trust, ScreenWest, State Library of WA, State Records Office and the WA Museum.

Alan has been a Trustee of the Swan Bells Foundation and also held the position of the Mayor of the Town, East Fremantle for six years. He is a board member of the Palmerston Association and a member of the Leadership WA Finance Committee.

Changes to Board members

Helen Cook (April 2011 - 3 June 2014) - Trustee

Alan Ferris (May 2013 - 30 June 2014) - Ex Officio

Organisational chart



Performance Management Framework - Achieving Government goals

The Culture and Arts Portfolio (which includes the Trust) achieves its Government Desired Outcomes through the delivery of seven key services. While the Portfolio contributes to all of the Government's Results Based Service Delivery goals, its primary contribution is to the Government Goal: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

The figure below illustrates the relationship between the Portfolio's Desired Outcomes and the most relevant Government goal.

Government goal	Desired outcomes	Services
Greater focus on achieving results in key service areas for the benefit of all Western Australians	Outcome 1 A creative, sustainable and accessible culture and arts sector	<ul style="list-style-type: none"> • Arts industry support • Screen production industry support • Venue management services
	Outcome 2 Western Australia's natural, cultural and documentary collections are preserved, accessible and sustainable	<ul style="list-style-type: none"> • Art Gallery services • Library and information services • Museum services • Government recordkeeping and archival services

The Trust's venue management services contribute to Desired Outcome 1 of the Portfolio's Government Desired Outcomes: A creative, sustainable and accessible culture and arts sector.

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



Agency performance

15



Agency performance against strategic goals

The Trust's five-year strategic plan, *Showtime*, concludes at the end of 2014.

Progress against the strategic goals in 2013/14 were:

Strategic Objective 1: Recognition as an Australian leader in arts and entertainment

Achievements against this strategic objective during the reporting year included:

- The review of the venue management arrangement and all venue operations and the State Government's decision to bring Trust venue management under the direct management of PTT.
- Support for national tours and performances at Trust venues including Sydney Dance Company, Circus Oz and Bell Shakespeare.

Strategic Objective 2: Optimising the usage of venues and services for the benefit of the whole community

Achievements against this objective during the reporting year included:

- The Trust supported a number of events designed to build audiences and engage with the community including Performing Arts Perspectives, Majkidz and Morning Melodies.
- The tenancy at 192 William Street (State Theatre Centre of WA) has been leased to Propel Youth Arts WA until December 2014.
- The inaugural Independent Theatre Festival was launched at the Subiaco Arts Centre.
- Inclusion of PTT assets into the Department of Culture and the Arts business case for increased investment by the State Government.

Strategic Objective 3: Excellence and continuous improvement in customer service and management

Achievements against this objective during the reporting year included:

- Risk management planning enacted across all PTT venues.
- The successful trial of online subscriptions for WA Opera.

Events with Perth Theatre Trust involvement

The Perth Theatre Trust continued its programming activities in 2013/14. These activities provide:

- cultural, arts and entertainment benefits;
- educational benefits;
- general community development in terms of social and economic benefits and quality of life and professional industry employment opportunities;
- artistic and creative development; and
- outcomes which evidence leadership in artistic development.

Date	Event/show	Producer	Perfromances	Attendance
Perth Concert Hall				
21 – 22 November 2013	Royal Concertgebouw Orchestra	PCH	2	2,609
His Majesty's Theatre				
21 August 2013 – 25 June 2014	Morning Melodies	HMT	5	3,851
28 – 31 August 2013	From the Ground Up	Circus Oz	7	4,889
15 August – 5 October 2013	Cabaret Soiree	HMT	26	2,973
18 – 21 June 2014	2 One Another	Sydney Dance Company	5	3,476
State Theatre Centre of WA				
4 – 7 July 2013	G	Australian Dance Theatre	4	2,128
Albany Entertainment Centre				
9 August 2013	The Comedy Of Errors	Bell Shakespeare Company	1	490
23 August 2013	Cranked Up	Circus Oz	2	1,047
30 August 2013	Happy as Larry	Shaun Parker & Company	1	328
5 – 6 September 2013	Don Giovanni	Oz Opera	2	425
28 June 2014	2 One Another	Sydney Dance Company	1	558
Subiaco Arts Centre				
12 March –12 April 2014	Independent Theatre Festival	SAC and Classic Works, Brooke Linton and Louise, Stained Glass Theatre, Weeping Spoon Productions, Houston Sinclair	20	1,064
Total			76	23,838

Performance diversity

The following table represents the diversity of performances presented in Trust venues, as a percentage of total performances. The Trust's aim is to promote a diverse and varied program of events to WA audiences.

	2013 - 2014 No. of Performances	2013-2014 % of Total Performances	2012-2013 No. of Performances	2012-2013 % of Total Performances	2011-2012 No. of Performances	2011-2012 % of Total Performances	2010-2011 No. of Performances	2010-2011 % of Total Performances	2009-2010 No. of Performances	2009-2010 % of Total Performances	2008-2009 No. of Performances	2008-2009 % of Total Performances
Ballet/Dance	115	10%	105	9%	80	7%	45	5%	65	7%	79	8%
Children's/Youth Performances	136	12%	105	9%	160	14%	82	9%	119	13%	113	12%
Classical Music	108	10%	99	9%	91	8%	88	10%	68	7%	71	7%
Comedy	107	10%	50	4%	87	8%	32	4%	49	5%	105	11%
Rock, Pop, Jazz, Folk	86	8%	117	10%	127	11%	58	7%	49	5%	42	4%
Conferences/Meetings	65	6%	43	4%	55	5%	15	2%	9	1%	17	2%
Dance Schools	4	0%	6	1%	3	0%	3	0%	1	0%	3	1%
Theatre	335	30%	435	38%	385	34%	286	32%	337	37%	352	37%
Musical Theatre	38	3%	70	6%	45	4%	172	19%	123	14%	82	9%
Opera	23	2%	28	2%	33	3%	25	3%	28	3%	25	3%
Other	65	6%	50	4%	42	4%	26	3%	11	1%	14	1%
Religious Meetings	1	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Schools' Performances	12	1%	13	1%	10	1%	19	2%	20	2%	14	1%
Education/Academic/ Graduation events	24	2%	23	2%	18	2%	25	3%	19	2%	22	2%
Community Concerts	2	0%	2	0%	2	0%	7	1%	12	1%	17	2%
Total	1,121	100%	1,146	100%	1,138	100%	883	100%	910	100%	956	100%

Note 1: 'Other' includes non-categorised events held on main stages and other venue spaces.

Note 2: Event percentages rounded to nearest whole number.

Venue Management reports





AEG Ogden (Perth) Pty Ltd

As agent for the Perth Theatre Trust, AEG Ogden (Perth) Pty Ltd manages the Perth Concert Hall, His Majesty's Theatre, the Subiaco Arts Centre, the State Theatre Centre of Western Australia and the Albany Entertainment Centre. The management contract ends on 31 December 2014.

Ticketing operations

The 2013/2014 year saw the continuation of the contractual relationship between AEG Ogden (Perth) and ticketing service provider Ticketek Pty Ltd. The ticketing operation continued to build on past successes and developed procedures to provide excellent customer service, both to patrons and hirers.

During the financial year, more than 320,000 tickets were sold through Ticketek to events at Perth Theatre Trust venues. Subscription sales for the resident companies were particularly strong, with the ability to sell subscriptions online trialled successfully for the first time for WA Opera.

Regular meetings between the Ticketing operations team and Ticketek staff have provided the platform to introduce new procedures and features of the ticketing system. The ability to upsell food and beverage packages during the ticket purchase process, introduced towards the end of the 2012/2013 period, was strengthened and grew successfully during the year.

Food and beverage

Food and beverage services are provided at each of the Trust's venues.

Some of the highlights in 2013/14 included the launch of the 2014 Perth International Arts Festival at Perth Concert Hall in November 2013 and the IGA 2014 Taste of the Great Southern Food and Wine Festival launch at the Albany Entertainment Centre and the State Theatre Centre.

At the 2013 Restaurant and Catering Australia Awards for Excellence (WA) held in August, the Food and Beverage Division were finalists in four categories and Individual awards were awarded to two employees. In addition, the Food and Beverage Division also reached finalist status for the 2013 Catering Institute Gold Plate Awards in the Venue Caterer of the Year Category.



Perth Concert Hall

The Perth Concert Hall (which opened in 1973) is a 1,729-seat purpose built concert hall owned by the City of Perth and leased to the Trust since 1980. Acoustically, the heritage listed building is considered one of the best in Australia. It is the principal performing and rehearsal venue for the West Australian Symphony Orchestra and hosts other companies such as the Australian Chamber Orchestra and Musica Viva.

Venue usage

A range of events were presented throughout the year with a total of 170 events in the venue attended by 199,789 patrons.

Main Spaces Usage	Events	Attendance
Main Auditorium	159	195,140
Wardle Room	7	1,949
Galleries and Other Spaces	4	2,700
Total	170	199,789

Venue highlights and activities

The Perth Concert Hall highlights and activities during 2013/14 included:

- The Royal Concertgebouw Orchestra of Amsterdam's performances in November 2013. The Orchestra embarked on its premier tour of Australia with its first performances on the stage of the Perth Concert Hall.
- Australian Chamber Orchestra presented a number of performances throughout the year.
- Musica Viva celebrated its fortieth anniversary of association with the venue with numerous presentations.
- The Perth International Arts Festival presented the acclaimed Academy of St Martin in the Field.
- Contemporary, rock and pop performances by Nigel Kennedy, Steve Vai, Jeff Beck, Neil Finn, Hugh Laurie and his blues band, Joan Baez, Don McLean, Air Supply and Petula Clark.
- Comedians Jimmy Carr, Billy Bragg and Anh Do performed at the Perth Concert Hall, plus world artists and other performers including Paco Pena, Ute Lemper, Isabella Rossellini and Kevin McCloud.

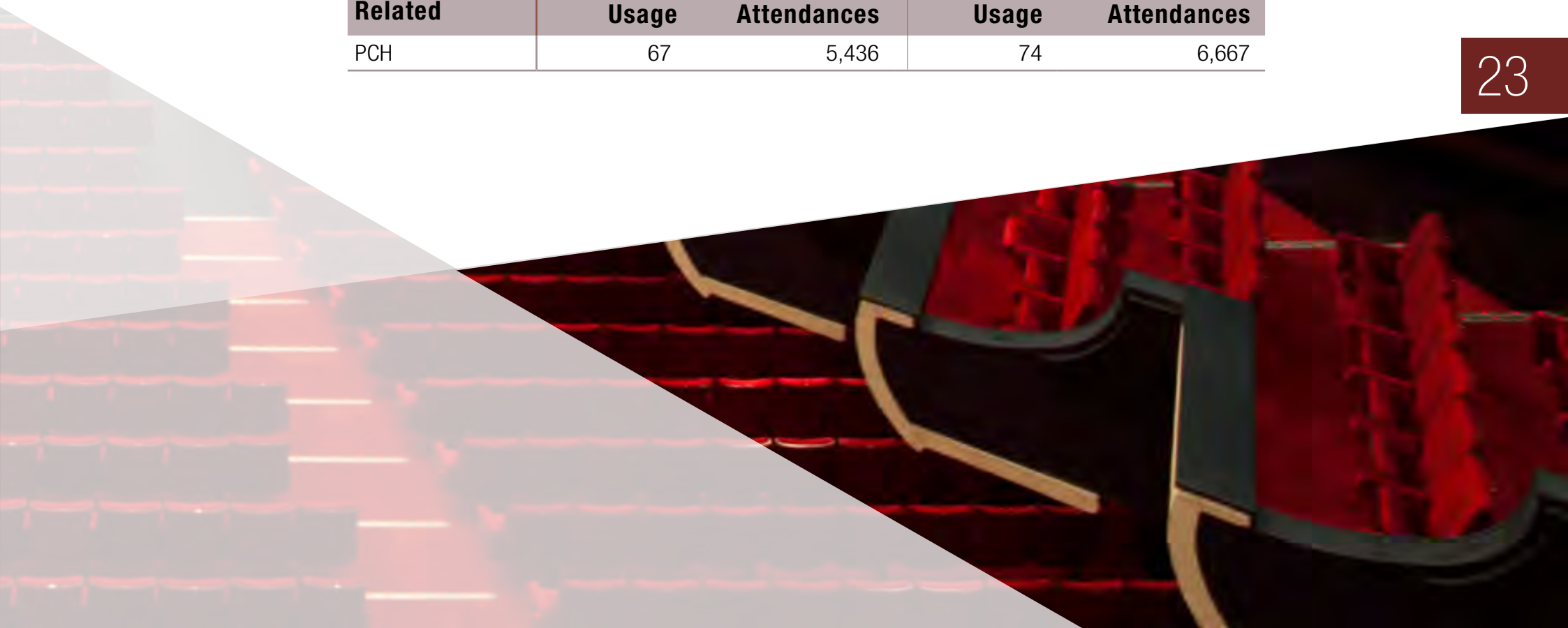
Perth Concert Hall

22

Main Auditorium	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	6	4,312	42%	2	1,282	37%
Children's/Youth Performances	4	6,318	91%	3	4,094	79%
Classical Music	85	104,894	71%	71	86,091	70%
Comedy	5	7,372	85%	9	12,387	80%
Rock, Pop, Jazz, Folk	27	31,619	68%	19	22,960	70%
Conferences/Meetings	0	0	0%	0	0	0%
Dance Schools	0	0	0%	4	4,064	59%
Theatre	1	723	42%	0	0	0%
Musical Theatre	0	0	0%	0	0	0%
Opera	1	1,612	93%	2	968	28%
Other	6	6,395	62%	2	3,322	96%
Religious Meetings	1	1,200	69%	0	0	0%
Schools' Performances	10	12,754	74%	5	5,288	61%
Education/Academic/Graduation events	13	17,941	80%	11	16,023	84%
Total	159	195,140	71%	128	156,479	71%

Perth Concert Hall

Wardle Room	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Performance	7	1,949	20	5,622
Other	0	0	1	79
Galleries and Other Spaces	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Performance	3	700	24	2,000
Other	1	2,000	5	760
F&B Non-Show Related	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
PCH	67	5,436	74	6,667





HIS MAJESTY'S THEATRE

His Majesty's Theatre

His Majesty's Theatre has hosted many great artists in the 110 years since its opening. It is the only Edwardian theatre still in operation in Australia and one of only two remaining His Majesty's Theatres in the world. The venue's main auditorium, in a traditional theatrical 'horseshoe' arrangement over three levels, seats 1,200 patrons.

Venue usage

A range of events were presented throughout the year with a total of 227 events attended by 122,947 patrons.

Main Spaces Usage	Events	Attendance
Main Auditorium	151	117,376
Downstairs at the Maj	76	5,571
Dress Circle and Other	0	0
Total	227	122,947

Venue highlights and activities

His Majesty's Theatre highlights and activities during 2013/14 included:

- The West Australian Ballet and West Australian Opera presenting their seasons at His Majesty's Theatre along with the Perth International Arts Festival.
- Sydney Dance Company's production, '2 One Another', was staged at the theatre from 18-21 June 2014.
- Commercial productions at the venue included the St Petersburg Ballet's season of 'Swan Lake', an Agatha Christie murder mystery – 'A Murder is Announced', and 'Admission One Shilling', a UK production starring British actress Patricia Routledge.
- His Majesty's Theatre's community service programs of Morning Melodies, MajKidz and Cabaret Soiree continued throughout the year.

His Majesty's Theatre

Main Auditorium	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	66	56,727	69%	56	41,962	60%
Children's/Youth Performances	0	0	0%	0	0	0%
Classical Music	0	0	0%	0	0	0%
Comedy	5	5,026	81%	9	7,523	67%
Rock, Pop, Jazz, Folk	0	0	0%	0	0	0%
Conferences/Meetings	1	400	32%	0	0	0%
Dance Schools	0	0	0%	0	0	0%
Theatre	53	31,391	48%	38	41,869	89%
Musical Theatre	8	5,805	58%	5	3,879	63%
Opera	16	16,042	81%	20	21,655	87%
Other	0	0	0%	0	0	0%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	0	0	0%
Education/Academic/Graduation events	2	1,985	80%	2	2,176	88%
Total	151	117,376	63%	130	119,064	74%

His Majesty's Theatre

Downstairs at the Maj	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Performance	76	5,571	27	2,735
Other	0	0	0	0
Dress Circle Bar & Foyer	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Performance	0	0	0	0
Other	0	0	0	0
F&B Non-Show Related	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
HMT	32	2,767	44	3,728



The Subiaco Arts Centre is a multi-space venue incorporating a 305-seat corner stage theatre and a 119-seat studio theatre. Four other spaces within the venue — the rehearsal room, multi-purpose room, undercroft and gallery space — are suited to a variety of community and arts-based uses. Barking Gecko Theatre Company is the resident company.

Venue usage

A range of events were presented throughout the year with a total of 173 events attended by 28,116 patrons.

Main Spaces Usage	Events	Attendance
Main Auditorium	107	23,803
The Studio	64	4,033
Amphitheatre	2	280
Total	173	28,116

Venue highlights and activities

Subiaco Arts Centre's highlights and activities during 2013/14 included:

- The inaugural 'Independent Theatre and Dance Festival' was staged at the Subiaco Arts Centre from 12 March to 12 April 2014. The festival gave independent artists an opportunity to showcase their work in a professional theatre while being exposed to the wider community. Twenty-eight local artists were employed including a range of producers, actors, dancers and technicians.
- In August 2013, Subiaco Arts Centre was home to the comedy production '51 Shades of Maggie Muff'. The production returned for two subsequent seasons in September 2013 and March 2014 respectively. At the conclusion of the March season, '51 Shades of Maggie Muff' had run for a total of 10 weeks and attracted 12,000 patrons to the Subiaco Arts Centre.
- The Perth International Arts Festival held two performances at the Subiaco Arts Centre in 2014, 'The Curious Scrapbook of Josephine Bean' and 'ILO'. Both performances were aimed at children.

Subiaco Arts Centre

28

Main Auditorium	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	0	0	0%	0	0	0%
Children's/Youth Performances	16	2,680	55%	71	11,562	53%
Classical Music	1	222	73%	6	1,515	83%
Comedy	63	15,321	80%	13	2,273	57%
Rock, Pop, Jazz, Folk	10	2,099	69%	12	2,659	73%
Conferences/Meetings	1	301	99%	4	440	36%
Dance Schools	2	455	75%	0	0	0%
Theatre	2	322	53%	34	6,393	62%
Musical Theatre	11	2,101	63%	18	2,859	52%
Opera	1	302	99%	2	347	57%
Other	0	0	0%	0	0	0%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	6	1,531	84%
Education/Academic/Graduation events	0	0	0%	0	0	0%
Community Concerts	0	0	0%	0	0	0%
Total	107	23,803	73%	166	29,579	58%

Subiaco Arts Centre

The Studio at Subiaco Arts Centre	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	0	0	0%	5	233	39%
Children's/Youth Performances	13	1,186	76%	0	0	0%
Classical Music	0	0	0%	1	58	48%
Comedy	0	0	0%	0	0	0%
Rock, Pop, Jazz, Folk	0	0	0%	0	0	0%
Conferences/Meetings	0	0	0%	1	100	83%
Dance Schools	0	0	0%	0	0	0%
Theatre	51	2,847	47%	42	1,792	36%
Musical Theatre	0	0	0%	0	0	0%
Opera	0	0	0%	0	0	0%
Other	0	0	0%	1	100	83%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	2	186	78%
Education/Academic/Graduation events	0	0	0%	0	0	0%
Total	64	4,033	53%	52	2,469	40%

Amphitheatre	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Performance	2	280	2	400
Conferences/meetings	0	0	0	0
F&B Non-Show Related	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
SAC	25	591	34	1,105



STATE THEATRE CENTRE
OF WESTERN AUSTRALIA

State Theatre Centre of Western Australia

The State Theatre Centre of Western Australia (STCWA) opened in January 2011. Consisting of multiple performance spaces, it features: the Heath Ledger Theatre, a traditional proscenium arch theatre for seating 575 patrons in an intimate raked auditorium; Studio Underground, a 'black-box' style studio with a (seated) capacity of 250 patrons; and an outdoor courtyard space.

Black Swan State Theatre Company and Perth Theatre Company are resident companies at the STCWA.

Venue usage

A range of events were presented throughout the year with a total of 402 events attended by 125,201 patrons.

Main Spaces Usage	Events	Attendance
Heath Ledger Theatre	220	96,652
Studio Underground	142	22,719
Courtyard	5	4,260
Rehearsal Room 2	24	1,213
The Gallery	11	357
Total	402	125,201

Venue highlights and activities

The State Theatre Centre's highlights and activities during 2013/14 included:

- The major user was the Black Swan State Theatre Company with six Heath Ledger Theatre productions including 'A Streetcar Named Desire' and two Studio Underground productions.
- The Studio Underground was used by the Perth Theatre Company for its productions including 'Wish' and Barking Gecko's 'Driving into Walls'.
- The Courtyard was used for the State Of The Art Music festival featuring acts including Gina Williams and Eskimo Joe.
- Perth International Arts Festival presented productions in the STCWA including contemporary dance, while national companies were represented by the Australian Dance Theatre's performance of 'G', presented by the Perth Theatre Trust in July 2014.
- The venue continued to regularly engage with the Perth Cultural Centre and City of Perth events.

State Theatre Centre of Western Australia

Heath Ledger Theatre	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	20	8,166	71%	7	3,235	80%
Children's/Youth Performances	47	21,258	79%	1	300	52%
Classical Music	0	0	0%	0	0	0%
Comedy	0	0	0%	0	0	0%
Rock, Pop, Jazz, Folk	2	425	37%	4	1,394	61%
Conferences/Meetings	9	2,120	41%	2	530	46%
Dance Schools	0	0	0%	2	938	82%
Theatre	117	53,786	80%	149	65,790	77%
Musical Theatre	0	0	0%	31	14,880	83%
Opera	0	0	0%	3	1,166	68%
Other	22	9,952	79%	14	7,724	90%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	0	0	0%
Education/Academic/Graduation events	3	945	55%	0	0	0%
Total	220	96,652	76%	213	95,457	78%

State Theatre Centre of Western Australia

32

Studio Underground	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	13	2,594	85%	28	3,887	59%
Children's/Youth Performances	0	0	0%	0	0	0%
Classical Music	0	0	0%	0	0	0%
Comedy	0	0	0%	0	0	0%
Rock, Pop, Jazz, Folk	10	1,499	64%	4	684	73%
Conferences/Meetings	8	931	50%	6	790	56%
Dance Schools	0	0	0%	0	0	0%
Theatre	92	13,011	60%	99	15,389	66%
Musical Theatre	0	0	0%	0	0	0%
Opera	0	0	0%	0	0	0%
Other	18	4,454	99%	19	2,854	64%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	0	0	0%
Education/Academic/Graduation events	1	230	98%	1	210	90%
Total	142	22,719	68%	157	23,814	65%

State Theatre Centre of Western Australia

Courtyard	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Events	5	4,260	71	3,713
Conferences/meetings	0	0	0	0

Rehearsal Room 2	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Events	18	911	N/A	N/A
Conferences/meetings	6	302	N/A	N/A

The Gallery	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Events	10	327	N/A	N/A
Conferences/meetings	1	30	N/A	N/A

F&B Non-Show Related	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
STC	112	12,413	78	7,965



Albany Entertainment Centre

The Albany Entertainment Centre (AEC), which opened in December 2010, is a performing arts and conference centre. The centrepiece is the 620-seat Princess Royal Theatre which has some of the best acoustics for spoken word and music of any theatre of its kind in Australia. The venue also offers the 200-seat flat floor Kalyenup Studio.

Venue usage

A range of events were presented throughout the year with a total of 149 events attended by 36,159 patrons.

Main Spaces Usage	Events	Attendance
Princess Royal Theatre	83	31,429
Kalyenup Studio	41	3,178
Harbourside Foyer	25	1,552
Total	149	36,159

34

Venue highlights and activities

- The AEC presented the Harbourside Concert Series over eight weeks in July and August featuring 47 musicians (16 based in the Great Southern).
- The centre hosted 47 conferences, functions and private events which attracted in excess of 3,000 people.
- One of the major highlights was Black Swan State Theatre Company's production of Tim Winton's 'Shrine'. The AEC is the only regional venue in Australia to present all three of Tim Winton's plays over the past three years.
- Other major productions at the AEC included the Russian National Ballet Theatre's 'Swan Lake' and 'Nutcracker', Oz Opera's 'Don Giovanni', Circus Oz's 'Cranked Up', Shaun Parker and Company's 'Happy as Larry', Sydney Dance Company's '2 One Another' and Bell Shakespeare's 'The Comedy of Errors'.
- The AEC hosted 'Global Cello', 'Altan' and 'An Iliad' as part of the Perth International Arts Festival's annual Great Southern Festival in February. In addition, the Outer Fringe's touring productions of 'Big Boys Don't Dance', Fiona O'Loughlin and EastEnd Cabaret in 'Dirty Talk' were staged in the Kalyenup Studio.
- The AEC partnered with the local ABC radio station to host the Great Southern final of the 'Exhumed' competition.

Albany Entertainment Centre

Princess Royal Theatre	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	6	2,724	73%	7	3,325	77%
Children's/Youth Performances	3	947	51%	10	3,824	62%
Classical Music	18	4,614	41%	21	5,564	43%
Comedy	3	882	48%	11	4,802	71%
Rock, Pop, Jazz, Folk	22	10,166	75%	37	16,023	70%
Conferences/Meetings	4	852	34%	2	525	42%
Dance Schools	2	1,180	95%	0	0	0%
Theatre	5	1,907	62%	6	1,968	53%
Musical Theatre	6	3,190	86%	0	0	0%
Opera	5	1,654	54%	1	213	34%
Other	4	2,004	81%	4	1,365	55%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	2	450	36%	0	0	0%
Education/Academic/Graduation events	3	859	46%	3	663	36%
Total	83	31,429	61%	102	38,272	61%

Albany Entertainment Centre

36

Kalyenup Studio	2013-2014 Total performances	2013-2014 Total attendance	% Capacity	2012-2013 Total performances	2012-2013 Total attendance	% Capacity
Ballet/Dance	2	226	57%	0	0	0%
Children's/Youth Performances	0	0	0%	0	0	0%
Classical Music	0	0	0%	0	0	0%
Comedy	2	251	63%	0	0	0%
Rock, Pop, Jazz, Folk	2	246	62%	2	37	15%
Conferences/Meetings	24	1,438	30%	19	1,254	53%
Dance Schools	0	0	0%	0	0	0%
Theatre	0	0	0%	0	0	0%
Musical Theatre	2	193	48%	0	0	0%
Opera	0	0	0%	0	0	0%
Other	9	824	46%	3	288	77%
Religious Meetings	0	0	0%	0	0	0%
Schools' Performances	0	0	0%	0	0	0%
Education/Academic/Graduation events	0	0	0%	2	27	11%
Total	41	3,178	39%	26	1,606	49%

Harbourside Foyer	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
Events	14	1,350	13	1,188
Conferences/meetings	11	202	9	172
F&B Non-Show Related	2013-2014 Usage	2013-2014 Attendances	2012-2013 Usage	2012-2013 Attendances
AEC	72	4,431	67	4,548



Museum of Performing Arts

The Museum of the Performing Arts (MOPA) at His Majesty's Theatre is one of the only four such boutique institutions in Australia. MOPA is a member of Museums of Australia Performing Arts Special Interest Group and participates in its national activities and initiatives.

During 2013/14, 1,127 people visited the Museum and the website received 3,386 page views and the collection has reached a total of 41,400 catalogued items.

Exhibitions included:

Ladies of the chorus

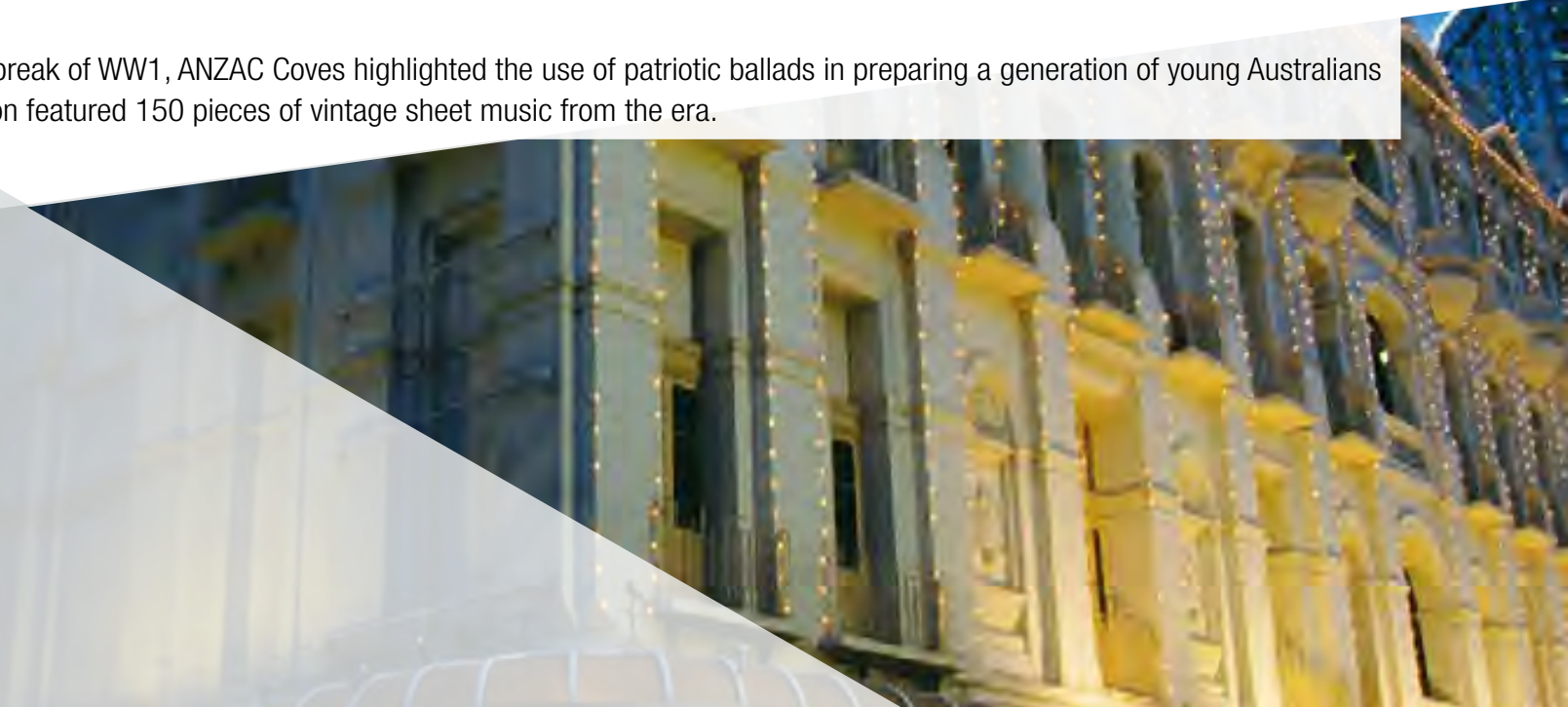
The roles played by chorus girls was illustrated in a collection of 120 photographs from vaudeville and musical comedy productions staged in Perth in the first half of the 20th century.

In the spotlight

The sounds of rock and roll and audience behaviour were recalled through posters and photographs from Parkerville Amphitheatre, which operated between 1973 and 1982. Perth cinema usherettes and their uniforms were also featured.

ANZAC Coves

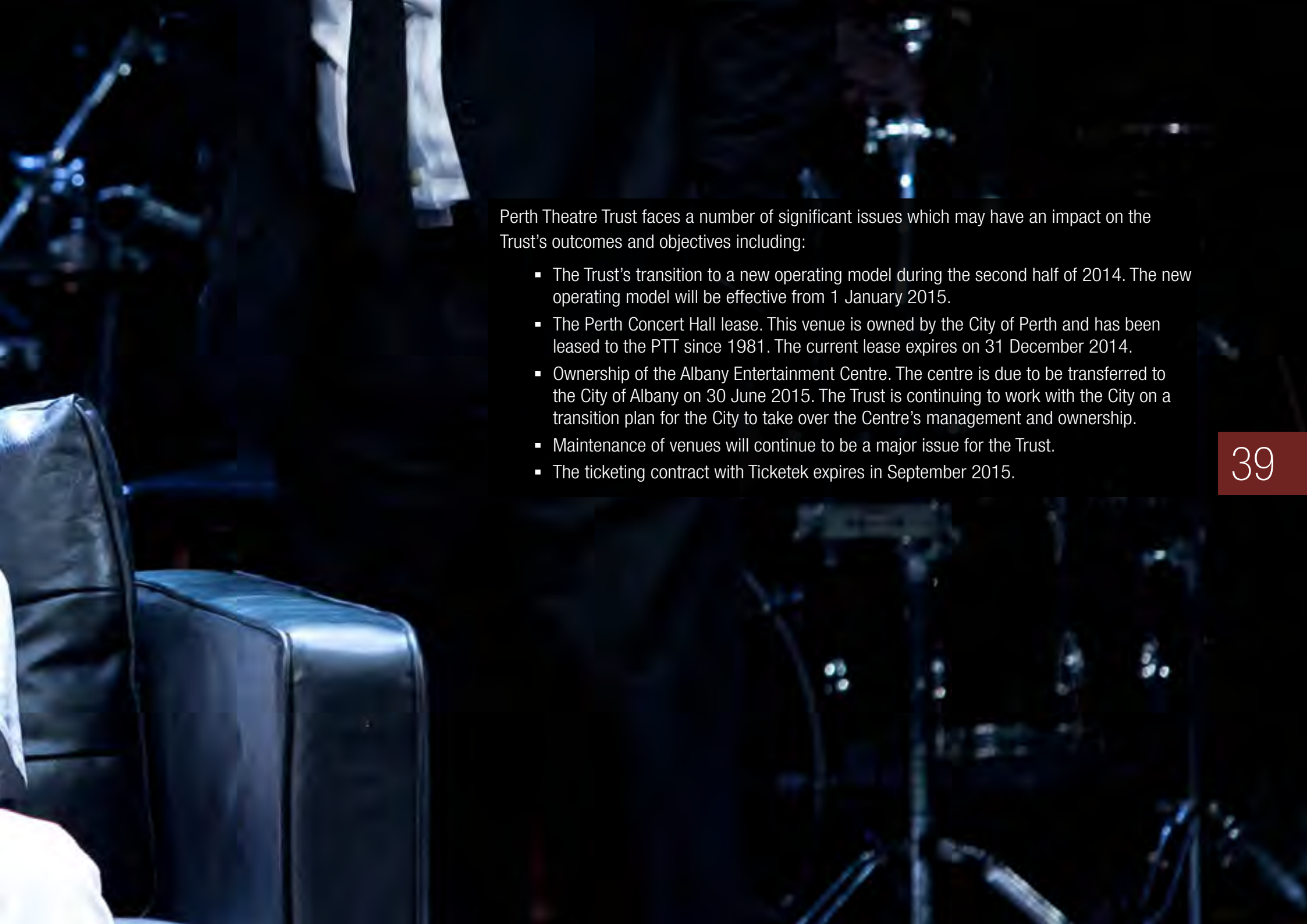
To mark the century of the outbreak of WW1, ANZAC Coves highlighted the use of patriotic ballads in preparing a generation of young Australians for the battlefield. The exhibition featured 150 pieces of vintage sheet music from the era.



Significant issues impacting the agency

38





Perth Theatre Trust faces a number of significant issues which may have an impact on the Trust's outcomes and objectives including:

- The Trust's transition to a new operating model during the second half of 2014. The new operating model will be effective from 1 January 2015.
- The Perth Concert Hall lease. This venue is owned by the City of Perth and has been leased to the PTT since 1981. The current lease expires on 31 December 2014.
- Ownership of the Albany Entertainment Centre. The centre is due to be transferred to the City of Albany on 30 June 2015. The Trust is continuing to work with the City on a transition plan for the City to take over the Centre's management and ownership.
- Maintenance of venues will continue to be a major issue for the Trust.
- The ticketing contract with Ticketek expires in September 2015.

Disclosures and legal compliance

40





Ministerial directives

No Ministerial directives were received during the financial year.

Other financial disclosures

Pricing policies on services

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

Major capital projects

No major capital works were carried out this year.

Governance disclosures

Conflicts of interest - None declared

Employee information

The following table summarises the Perth Theatre Trust employee demographics at 30 June 2014.

Employment type	2013 - 2014		2012 - 2013	
	Women	Men	Women	Men
Permanent Full-time	2	2	6	2
Permanent Part-time	3	0	4	0
Fixed Term Full-time	0	0	0	0
Fixed Term Part-time	0	0	0	0
Casual paid	0	0	0	0
Other paid	0	0	1	1
Total	5	2	11	3

Board and committee remuneration

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
Chair	Peter Blaxell	Nil	January 2013 - present	-
Deputy Chair	-	-	-	-
Member	Jim Adamos	Per meeting	January 2012 - present	\$5,240.00
	Rob Butler	Per meeting	September 2003 - present	\$2,650.00
	Helen Cook	Per meeting	April 2011 - June 2014	\$5,700.00
	Janet Davidson	Per meeting	January 2008 - present	\$3,820.00
	Max Kay	Per meeting	April 2011 - present	\$6,920.00
	Morgan Solomon	Per meeting	January 2013 - present	\$5,490.00
Total				\$29,820.00

Other legal requirements

Expenditure on advertising, market research, polling and direct mail

Section 175ZE of the *Electoral Act 1907* requires public agencies to report details of expenditure to organisations providing services in relation to advertising, market research, polling, direct mail and media advertising. The Perth Theatre Trust has not incurred expenditure of this nature.

Disability access and inclusion plan outcomes

Of the 10 strategies outlined in the PTT Disability Access and Inclusion Plan 2013-17 (DAIP), seven have been achieved or are being implemented.

In line with the principles contained within the DAIP, a new partnership was created with Disability in the Arts, Disadvantage in the Arts (WA) (DADAA).

DADAA has been informally supported by the Trust over the past three years to conduct two days of annual training and to support performers with disability in rehearsal room productions of their work at the STCWA. This relationship has been developed into a more formal partnership.

The PTT/DADAA partnership will create access for performers with disability to the STCWA's Studio Underground Theatre for five days in 2014. It will also provide DADAA performers with technical and front of house support. This partnership will continue to expand to include the Subiaco Arts Centre in the future.

2013/14 also saw the continuation of support for audio descriptive performances at the STCWA.

Compliance with Public Sector Standards and ethical codes

PTT works to ensure it is compliant with Public Sector legislative and regulatory frameworks. Policies and procedures are consistently reviewed and updated to ensure they are aligned with contemporary legislative and compliance frameworks. Staff and managers are educated on the Public Sector Standards in Human Resource Management, the Public Sector Code of Ethics and the Culture and Arts Portfolio Code of Conduct. Through this education, PTT staff are aware of the expectations outlined by the Department and the Public Sector Commission.

In 2012/2013 financial year, DCA successfully implemented Accountable and Ethical Decision Making (AEDM) training in the Culture and Arts Portfolio including PTT. In 2013/2014, PTT continues to have high completion of the AEDM training with 100 per cent of new staff finishing the course. The AEDM training module has been updated to reflect internal, Public Sector Commission and Legislative employment changes. The AEDM training reinforces PTT's compliance requirements while ensuring its workforce is equipped to make ethical decisions on behalf of the broader community.

PTT continues to track internal workforce measures including quarterly reporting and monthly CEO dashboard tracking. These statistics are used to track key trends within PTT as well as compliance with internal and external compliance requirements. These processes have continued to be refined over the 2013/2014 financial year. Feedback from PTT management indicates that the reports provide meaningful workforce statistics that assist them with strategic planning and decision-making.

Industrial and Employee Relations

PTT is committed to educating its workforce in the Public Sector Standards in Human Resource Management and the Public Sector Code of Ethics. In the 2013/2014 financial year, there were no reported breaches of the Public Sector Standards within PTT. No potential breaches of the Code of Ethics or DCA's Code of Conduct (derived from the Public Sector Code of Ethics) were received during the same period.

Human Resources continue to provide ongoing support and advice to managers and staff in industrial relation matters.

Record keeping plans

The PTT Recordkeeping Plan 2010-2015 was approved by the State Records Commission in April 2011. The plan identifies steps to be taken to maintain and improve recordkeeping by the Trust. This includes the development and regular review of an appropriate retention and disposal schedule, development and implementation of a functional thesaurus and the regular revision of recordkeeping policies and procedures. The Trust is required to review the plan by April 2016.

During the year Trust staff attended training to facilitate improved recordkeeping practices.

Freedom of Information

Under Schedule 2 of the Regulations of the *Freedom of Information Act 1992* the Department of Culture and the Arts coordinates freedom of information requests for portfolio agencies including the Perth Theatre Trust.

As prescribed in Section 96 of the *Act*, the Department publishes an up to date information page confirming the Department's commitment to the right of all Western Australians to have access to government information for whatever reason they wish. The information page is available on the Department's website and gives details on how a person can apply for access to the Department's documents.



Government policy requirements

Substantive equality

In the 2011/2012 financial year, the Department established the Substantive Equality Reference Group which continues to provide advice to the portfolio on substantive equality and targeting community based arts and culture needs. In 2013/14 the Substantive Equality Reference Group was reformed, engaging employees from across the Culture and Arts Portfolio, including PTT. The first action of the Substantive Equality Reference Group was the formation of a new Substantive Equality Policy to guide the portfolio towards a clear regulatory framework to support community based projects. PTT works within the DCA Substantive Equality Policy, engaging in stakeholder consultation in major department projects.

Occupational safety, health and injury management

PTT is committed to providing and maintaining a healthy and safe working environment for all of its employees, contractors and visitors. This is demonstrated through policies, procedures and work practices that ensure all employees are safe from harm in the workplace. The DCA has approved the OSH Implementation Plan to implement a number of safety and health initiatives across the Culture and Arts Portfolio inclusive of PTT.

The Department and Portfolio agencies (PTT inclusive) facilitate OSH consultation through agency specific OSH committees, the election of safety and health representatives, hazard and incident reporting processes, routine workplace hazard inspections and a process for the resolution of OSH issues. Staff are made aware of these processes at their employee induction, through specific OSH training and access to OSH information on the DCA intranet.

The policy and procedures of PTT are compliant with the *Occupational Safety and Health Act 1984* and the *Workers Compensation and Injury Management Act 1981*. These procedures outline PTT's commitment to assist employees to return to work after a work-related injury or disease. PTT develops formal, documented return to work programs for employees requiring modified and alternative duties or equipment upon returning to work from an injury or illness.

A formal review of the PTT's OSH management system was undertaken in 2012 using the WorkSafe Plan. A plan has been developed to address gaps identified through this process and focuses on the audit recommendations in the areas of management commitment, planning, consultation, hazard management and training.



OSH performance indicator table

Measure	Actual results		Results against target	
	2012-2013	2013-2014	Target	Comment on result
Number of fatalities	0	0	0	No change
Lost time injury and/or disease incidence rate	0	0	0 or 10% improvement	
Lost time injury and/or disease severity rate	0	0	0 or 10% improvement	
Percentage of injured workers returned work: i. Within 13 weeks	N/A	N/A	Greater than or equal to 80%	
ii. Within 26 weeks	N/A	N/A	Greater than or equal to 80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	50%	33%	Greater than or equal to 80%	

Auditor General's opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

PERTH THEATRE TRUST

Report on the Financial Statements

I have audited the accounts and financial statements of the Perth Theatre Trust.

The financial statements comprise the Statement of Financial Position as at 30 June 2014, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

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

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Perth Theatre Trust at 30 June 2014 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the Perth Theatre Trust during the year ended 30 June 2014.

Controls exercised by the Perth Theatre Trust are those policies and procedures established by the Trustees to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Trustees' Responsibility for Controls

The Trustees are responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Perth Theatre Trust based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Trust complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Perth Theatre Trust are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2014.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Perth Theatre Trust for the year ended 30 June 2014.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Trustees' Responsibility for the Key Performance Indicators

The Trustees are responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Trustees determine necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Trustees' preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Perth Theatre Trust are relevant and appropriate to assist users to assess the Trust's performance and fairly represent indicated performance for the year ended 30 June 2014.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and Australian Auditing and Assurance Standards, and other relevant ethical requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Perth Theatre Trust for the year ended 30 June 2014 included on the Trust's website. The Trust's management is responsible for the integrity of the Trust's website. This audit does not provide assurance on the integrity of the Trust's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



DON CUNNINGHAME

ASSISTANT AUDITOR GENERAL FINANCIAL AUDIT

Delegate of the Auditor General for Western Australia

Perth, Western Australia

28 August 2014

Certification of performance indicators

For the year ended 30 June 2014

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess the Perth Theatre Trust performance, and fairly represent the performance of the Perth Theatre Trust for the financial year ended 30 June 2014.

50



Trustee

21 August 2014



Trustee

21 August 2014

Performance indicators

Performance indicator information

Government goal

The Perth Theatre Trust (the Trust) contributes to the achievement of the Government Goal:

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

Government desired outcomes

Outcome 1:

A creative, sustainable and accessible culture and arts sector.

Outcome 2:

Western Australia's natural, cultural and documentary collections are managed, conserved and accessible.

The Trust is a statutory authority within the Culture and Arts portfolio and is shown under Venue Management Services in the 2013-2014 Budget Papers. Key Performance Indicators have been developed in accordance with Treasurer's Instruction 904 to evaluate the Trust's performance in achieving the Government Desired Outcome and to provide an overview of the critical and material aspects of service provision.



Key effectiveness indicators

Indicator 1 – Venue management services

Measures of Access to the Arts

Rationale

The following chart provides access indicators for attendances at performances in Trust venues. While the Trust has only limited influence on either the number of productions and performances presented at its venues or the number of patrons who choose to attend those performances, its aim is to assist presenters to maximise attendances.

Chart 1: Public use of major venues (against benchmark)

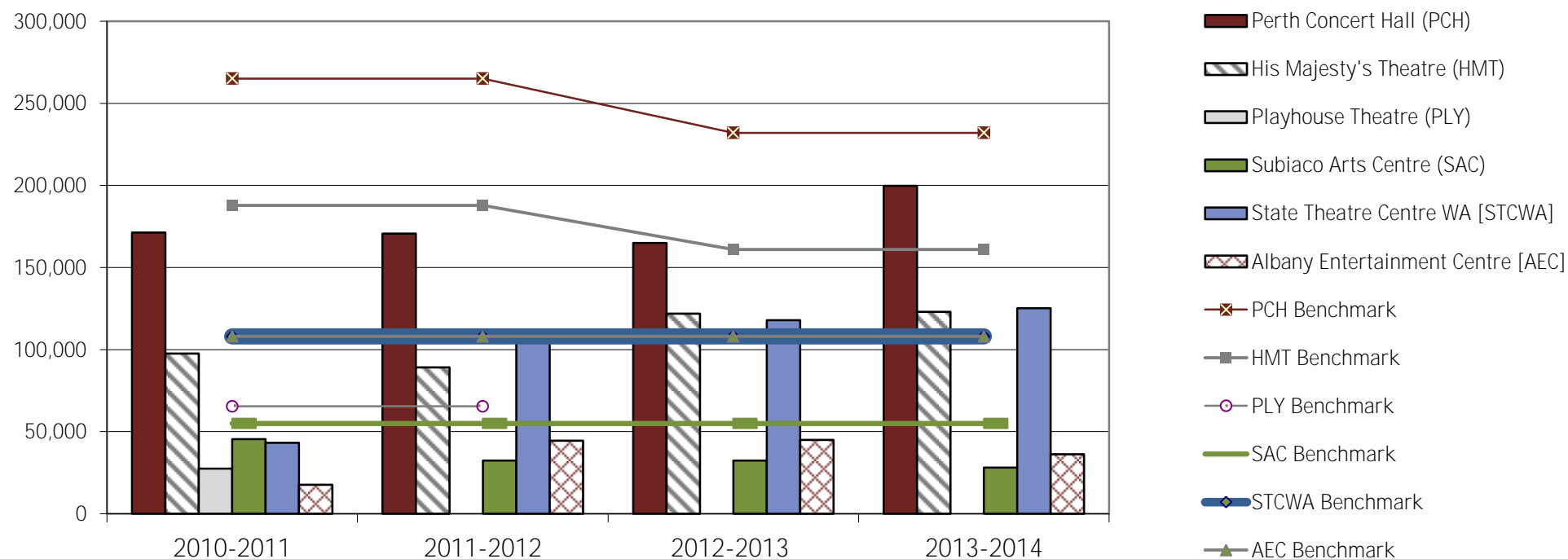


Chart 2: Public use of major venues

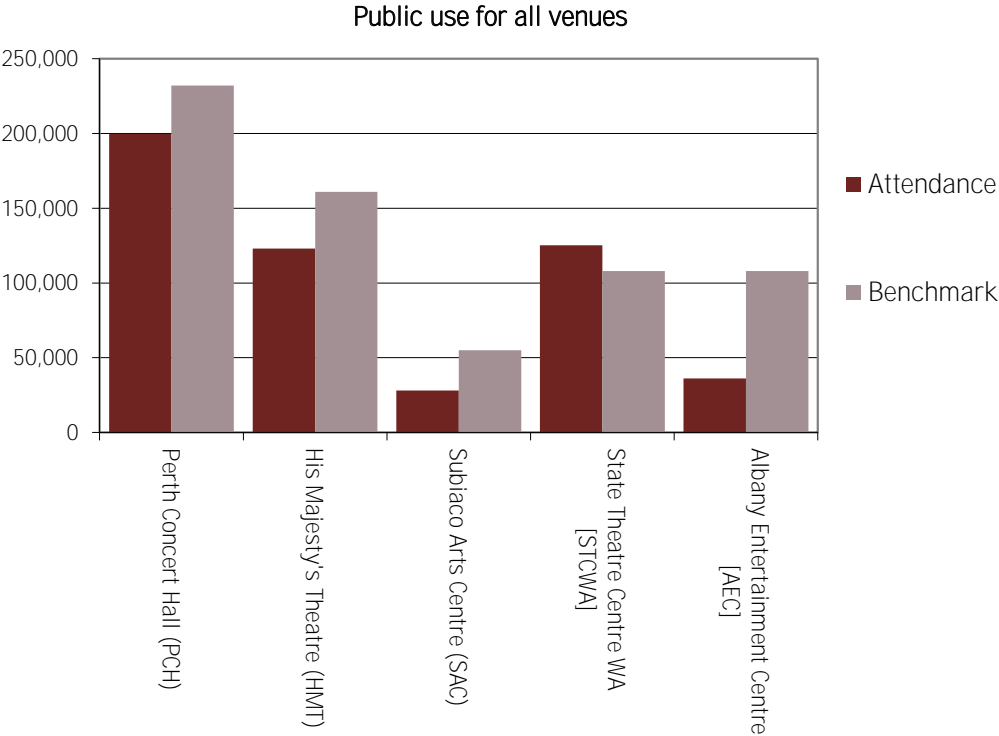
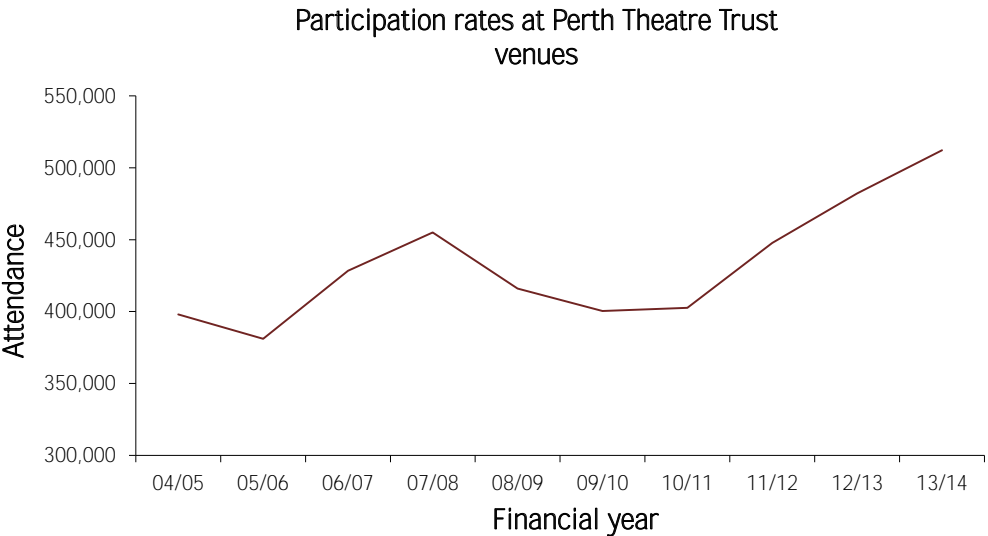


Chart 3: Participation rates at Perth Theatre Trust venues



Public use of major venues

Usage trend

The number of performances/events across venues was 1,121 in 2013-2014. This is slightly lower than the 1,146 events held last year.

Note 1: Participation rates at Perth Theatre Trust venues

Overall, the attendance rate at Trust venues was 512,212 – a small increase in attendances from last year's figure of 484,409.

Efficiency indicators

Key Performance Indicators overview

The number of events across venues was 1,121 in 2013-2014. This is slightly lower than the previous year's performance numbers, but an increase on the estimated events of 898 events.

The table below represents the number of performances at venues managed by the Trust.

These performance measures address the efficiency with which the Trust undertakes work associated in achieving this service.

Measure	2010-2011 Actual	2011-2012 Actual	2012-2013 Actual	2013-2014 Target	2013-2014 Actual
Number of performances at Trust venues	883	1,138	1,146	898	1,121
Average cost per performance	\$28,979	\$26,248	\$24,743	\$31,203	\$24,927

Note

The significant increase in the actual performances in 2013-2014 when compared with the target was as a result of:

1. Increased level of business overall as economy picks up, more hiring's and more catering functions than budgeted for.
2. A return to more national, commercial touring of performing arts product is being noticed as the economy picks up and major new productions and tours are again being undertaken.

Certification of financial statements

For the year ended 30 June 2014

The accompanying financial statements of Perth Theatre Trust have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2014 and the financial position as at 30 June 2014.

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



Chief Finance Officer
21 August 2014



Chairman of Perth Theatre Trust
21 August 2014



Member of Perth Theatre Trust
21 August 2014

Financial statements

56



Statement of Comprehensive Income

For the year ended 30 June 2014

	Note	2014 \$000	2013 \$000
Cost of services Expenses			
Employee benefits expense	7	14,158	14,176
Supplies and services	8	4,875	4,376
Depreciation and amortisation expense	9	4,195	4,338
Accommodation expenses	10	2,987	3,742
Cost of sales	13	1,230	1,101
Loss on disposal of non-current assets	17	140	341
Other expenses	11	321	281
Total cost of services		27,906	28,355
Income Revenue			
User charges and fees	12	7,331	8,165
Sales	13	4,988	4,268
Sponsorship	14	415	445
Interest revenue	15	112	142
Other revenue	16	2,021	1,512
Total Revenue		14,867	14,532
Gains			
Gain on disposal of non-current assets		0	3
Total Gains	17	0	3
Total income other than Income from State Government		14,867	14,535
Net cost of services		13,039	13,820
Income from State Government	18		
Service appropriation		14,493	10,577
State grants and subsidies		755	221
Assets assumed/(transferred) in	5, 18	(145)	0
Services received free of charge		(2)	2,816
Total income from State Government		15,101	13,614
Surplus/(deficit) for the period		2,062	(206)
Other comprehensive income			
Items not classified subsequently to profit or loss			
Changes in asset revaluation surplus		(300)	(5,360)
Total other comprehensive income		(300)	(5,360)
Total comprehensive income for the period		1,762	(5,566)

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

Statement of Financial Position

As at 30 June 2014

	Note	2014 \$000	2013 \$000
Assets			
Current Assets			
Cash and cash equivalents	33	1,996	1,540
Restricted cash and cash equivalents	19, 33	3,251	3,202
Inventories	20	124	110
Receivables	21	474	437
Other current assets	23	822	710
Total Current Assets		6,667	5,999
Non-Current Assets			
Restricted cash and cash equivalents	19, 33	84	-
Amounts receivable for services	22	21,559	17,475
Property, plant and equipment	24	207,852	211,325
Intangible assets	26	129	311
Total Non-Current Assets		229,624	229,111
Total Assets		236,291	235,110
Liabilities			
Current Liabilities			
Payables	28	1,336	1,785
Funds held in trust	29	3,316	3,202
Provisions	30	576	444
Other current liabilities	31	681	1,153
Total Current Liabilities		5,909	6,584
Non-Current Liabilities			
Provisions	30	178	84
Total Non-Current Liabilities		178	84
Total Liabilities		6,087	6,668
Net Assets		230,204	228,442
Equity	32		
Contributed equity		193,659	193,659
Reserves		11,950	12,250
Accumulated surplus		24,595	22,533
Total equity		230,204	228,442

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

Statement of Changes in Equity

For the year ended 30 June 2014

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
Balance at 1 July 2012	32	193,659	17,610	22,739	234,008
Total comprehensive income for the period		0	(5,360)	(206)	(5,566)
Transactions with owners in their capacity as owners:					
Capital appropriations		0	0	0	0
Total		0	(5,360)	(206)	(5,566)
Balance at 30 June 2013		193,659	12,250	22,533	228,442
Balance at 1 July 2013		193,659	12,250	22,533	228,442
Total comprehensive income for the period		0	(300)	2,062	1,762
Transactions with owners in their capacity as owners:					
Capital appropriations		0	0	0	0
Other contributions by owners		0	0	0	0
Distributions to owners		0	0	0	0
Total		0	(300)	2,062	1,762
Balance at 30 June 2014		193,659	11,950	24,595	230,204

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

Statement of Cash Flows

For the year ended 30 June 2014

	Note	2014 \$000	2013 \$000
Cash flows from State Government			
Service appropriation		10,468	6,207
State grants and subsidies		776	344
Capital contributions		0	0
Holding account drawdowns		0	0
Royalties for Regions Fund		0	0
27th Pay holding account movement		84	
Net cash provided by State Government		11,328	6,551

Utilised as follows:

Cash flows from operating activities	
Payments	
Payments from trust fund	0 (42,841)
Employee benefits	(14,136) (12,048)
Supplies and services	(7,089) (4,315)
Accommodation	(3,060) (3,901)
GST payments on purchases	(2,097) (1,936)
GST payments to taxation authority	(8) (22)
Other payments	(353) (225)

Receipts

Receipts into trust fund	114	40,772
User charges and fees	7,150	8,387
Sale of goods and services	4,988	4,268
Sponsorship	415	445
Interest received	112	183
GST receipts on sales	1,392	1,262
GST receipts from taxation authority	712	624
Other receipts	2,038	1,531

Net cash provided by/(used in) operating activities	33	(9,822)	(7,816)
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Cash flows from investing activities

Payments		
Purchase of non-current physical assets	(917)	(299)

Receipts

Proceeds from sale of non-current physical assets	0	3
Net cash provided by/(used in) operating activities	(917)	(296)

Net increase/(decrease) in cash and cash equivalents

589 (1,561)

Cash and cash equivalents at the beginning of the period

4,742 6,303

Cash and cash equivalents at the end of period

33 **5,331** **4,742**

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

Notes to the Financial Statements

For the year ended 30 June 2014

Note 1. Australian Accounting Standards

General

Perth Theatre Trust's financial statements for the year ended 30 June 2014 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

Perth Theatre Trust has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

Perth Theatre Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by Perth Theatre Trust for the annual reporting period ended 30 June 2014.

Note 2. Summary of significant accounting policies

(a) General statement

Perth Theatre Trust is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying Perth Theatre Trust's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

(c) Reporting entity

The reporting entity comprises the Perth Theatre Trust.

(d) Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly Owned Public Sector Entities* and have been credited directly to Contributed equity.

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

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Service appropriations

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

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when Perth Theatre Trust obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which Perth Theatre Trust obtains control over the funds. Perth Theatre Trust obtains control of the funds at the time the funds are deposited into Perth Theatre Trust's bank account.

Gains

Realised or unrealised gains are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, plant and equipment

Capitalisation/expensing of assets

Items of property, plant and equipment costing over \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

Subsequent Measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is determined on the depreciated replacement cost basis, the gross carrying amount and the accumulated depreciation are restated proportionately. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

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

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 22 'Property, plant and equipment'.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	66 years
Air conditioning upgrades	4 to 25 years
Leasehold improvements	3 to 40 years
Communication equipment	4 to 10 years
Computer hardware	3 to 4 years
Furniture, fixtures and fittings	4 to 20 years
Plant and machinery	3 to 25 years
Office equipment	5 to 10 years
Other equipment	4 to 20 years

Works of art controlled by Perth Theatre Trust are classified as property, plant and equipment. These are anticipated to have indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and consequently no depreciation has been recognised.

Land is not depreciated.

(g) Intangible assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing over \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets are expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

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

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

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by Perth Theatre Trust have a finite useful life and zero residual value.

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

Software ^(a)	3 to 10 years
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(a) Software that is not integral to the operation of any related hardware.

Computer Software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income. As Perth Theatre Trust is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each reporting period irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future

cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(i) Leases

Perth Theatre Trust holds operating leases for office accommodation and motor vehicle. Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(j) Financial instruments

In addition to cash, Perth Theatre Trust has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

Financial Instruments have been disaggregated into the following classes:

Financial Assets:

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

Financial Liabilities:

- Payables
- Funds held in trust

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(k) Cash and cash equivalents

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

(l) Accrued salaries

Accrued salaries (see note 28 'Payables') represents the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. Perth Theatre Trust considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(m) Amounts receivable for services (holding account)

Perth Theatre Trust receives income from the State Government partly in cash and partly as an asset (holding account receivable). The accrued amount appropriated is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(n) Inventories

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

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

(o) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Perth Theatre Trust will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

(p) Payables

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

(q) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

Annual leave is not expected to be settled wholly within 12 months after the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as Perth Theatre Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

Long service leave is not expected to be settled wholly within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as Perth Theatre Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because Perth Theatre Trust has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Superannuation

AEG Ogden (Perth) Pty Ltd currently pay 9.25% Superannuation Guarantee Levy on the ordinary time earnings of their employees (including part-time and casual employees) who are aged between 18 and 75, and who are paid at least \$450 (before tax) a month, into a complying superannuation fund or retirement savings account.

AEG Ogden (Perth) Pty Ltd makes concurrent contributions to a complying superannuation fund or a retirement savings account (RSA) of the employee's choice on behalf of the employee in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. This is the primary legislation affecting employers and details the administrative arrangements for the operation of the Superannuation Guarantee (SG) scheme, including assessment of the employer's liability, calculation of the Superannuation Guarantee charge, payment of the charge and distribution of payments received.

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

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The Perth Theatre Trust makes contributions to GESB or other fund providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the Perth Theatre Trust's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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

The Perth Theatre Trust has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Perth Theatre Trust to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share.

Provisions - Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of Perth Theatre Trust's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

(r) Superannuation expense

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

(s) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost are recognised as income at the fair value of the assets and/or the fair value of those services that can be reliably measured and the Perth Theatre Trust would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(t) Comparative figures

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

(u) Department of Culture and the Arts

The Department of Culture and the Arts provides support for capital projects to agencies in the Culture and Arts portfolio. The Department receives an appropriation for capital projects and minor asset equipment as part of the DCA PC Replacement Program. These resources, provided to the Board, but paid for by the Department, have been treated as 'Resources received free of charge' in the Income Statement.

The Department of Culture and the Arts provides shared corporate services to the Board which are not recognised in the Income Statement.

Note 3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. Perth Theatre Trust evaluates these judgements regularly.

Operating lease commitments

Perth Theatre Trust has entered into a commercial lease for a motor vehicle and has determined that the lessor retains all the significant risks and rewards of ownership of the property. Accordingly, this lease has been classified as an operating lease.

Perth Theatre Trust has operating leases for buildings. The property leases are non-cancellable leases, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that minimum lease payments shall be increased by the lower of CPI or 3.5% per annum. An option exists to renew the leases at the end of the term.

Note 4. Key sources of estimation uncertainty

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

Note 5. Machinery of Government

Arising from the machinery of government changes, employing powers under the *Public Sector Management Act 1994* and budget appropriations are now in place with effect from 1 July 2013 for Perth Theatre Trust. Salary costs, superannuation, fringe benefits tax expenses which were previously appropriated to the Department of Culture and the Arts and treated as 'Resources received free of charge' are now being appropriated direct to the Perth Theatre Trust. This has the following impact:

- (a) an increase in the 'Appropriation received from State Government' and a corresponding decrease in 'Services provided by the Department of Culture and the Arts'. See note 18 'Income from State Government'.

Long Service Leave

Several estimations and assumptions used in calculating the Authority's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

- (b) employee benefit provisions, such as annual leave, long service leave and employment on-costs, previously held by the Department of Culture and the Arts are transferred to the Perth Theatre Trust with effect from 1 July 2013. See note 30 'Provisions'.
- (c) account balances, such as accrued salaries and leave liability accounts with Treasury WA, and leave and employment on-costs provisions previously held by the Department of Culture and the Arts are transferred to the Perth Theatre Trust with effect from 1 July 2013. See note 19 'Restricted cash and cash equivalents'.

Note 6. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

Perth Theatre Trust has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2013 that impacted on Perth Theatre Trust.

AASB 13	Fair Value Measurement
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This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. Perth Theatre Trust has liaised with the Western Australia Land Information Authority (Valuation Services) to ensure that sufficient information will be provided to meet the disclosure requirements of this Standard. There is no financial impact.

AASB 119	Employee Benefits
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This Standard supersedes AASB 119 (October 2010), making changes to the recognition presentation and disclosure requirements.

Perth Theatre Trust assessed employee leave patterns to determine whether annual leave is a short-term or other long-term employee benefit. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.

AASB 1048	Interpretation of Standards
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This Standard supersedes AASB 1048 (June 2012), enabling references to the Interpretations in all other Standards to be updated by reissuing the service Standard. There is no financial impact.

AASB 2011-8	Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]
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This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.

AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]
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This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.

AASB 2012-2	Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]
	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.
AASB 2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB1, 101, 116, 132 & 134 and Int 2]
	This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.
AASB 2012-6	Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]
	This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015 (instead of 1 January 2013). Further amendments are also made to numerous consequential amendments arising from AASB 9 that will now apply from 1 January 2015. There is no financial impact.
AASB 2012-9	Amendment to AASB 1048 arising from the Withdrawal of Australian Int 1039
	The withdrawal of Int 1039 Substantive Enactment of Major Tax Bills in Australia has no financial impact for the Authority during the reporting period and at balance date. Measurement of tax assets and liabilities continues to be measured in accordance with enacted or substantively enacted tax law pursuant to AASB 112.46-47
AASB 2012-10	Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Int 12]
	The Standard introduces a number of editorial alterations and amends the mandatory application date of Standards for not-for-profit entities accounting for interests in other entities. There is no financial impact.
AASB 2013-9	Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.
	Part A of this omnibus Standard makes amendments to other Standards arising from revisions to the Australian Accounting Conceptual Framework for periods ending on or after 20 December 2013. Other Parts of this Standard become operative in later periods. There is no financial impact for Part A of the Standard.

Future impact of Australian Accounting Standards not yet operative

Perth Theatre Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, Perth Theatre Trust has not applied early any following Australian Accounting Standards that have been issued that may impact Perth Theatre Trust. Where applicable, Perth Theatre Trust plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
Int 21	<p>Levies</p> <p>This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Authority at reporting date.</p>	1 Jan 2014
AASB 9	<p>Financial Instruments</p> <p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard was amended to 1 January 2017. The Authority has not yet determined the application or the potential impact of the Standard</p>	1 Jan 2017
AASB 10	<p>Consolidated Financial Statements</p> <p>This Standard, issued in August 2011, supersedes requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> and Int 112 <i>Consolidation – Special Purpose Entities</i>, introducing a number of changes to accounting treatments.</p> <p>Mandatory application was deferred for not-for-profit entities by AASB 2012- 10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments. The adoption of the new Standard has no financial impact for the Model Statutory Authority as it doesn't impact accounting for related bodies and the Perth Theatre Trust has no interests in other entities.</p>	1 Jan 2014
AASB 11	<p>Joint Arrangements</p> <p>This Standard, issued in August 2011, supersedes AASB 131 <i>Interests in Joint Ventures</i>, introducing new principles for determining the type of joint arrangement that exists, which are more aligned to the actual rights and obligations of the parties to the arrangement.</p> <p>Mandatory application of the Standard was deferred by one year for not-for-profit entities by AASB 2012-10. There is no financial impact for the Model Statutory Authority as the new standard will continue to require proportional consolidation of the Department's rights to assets and liabilities for the unincorporated joint operation.</p>	1 Jan 2014

		Operative for reporting periods beginning on/after
AASB 12	<p>Disclosure of Interests in Other Entities</p> <p>This Standard, issued in August 2011, supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i>, AASB 128 <i>Investments in Associates and Joint Ventures</i> and AASB 131 <i>Interests in Joint Ventures</i>.</p> <p>Mandatory application was deferred by one year for not-for-profit entities by AASB 2012- 10. There is no financial impact.</p>	1 Jan 2014
AASB 127	<p>Separate Financial Statements</p> <p>This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i>, removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. Mandatory application was deferred by one year for not-for-profit entities by AASB 2012-10. There is no financial impact.</p>	1 Jan 2014
AASB 128	<p>Investments in Associates and Joint Ventures</p> <p>This Standard supersedes AASB 128 <i>Investments in Associates</i>, introducing a number of changes to accounting treatments of changed ownership interest.</p> <p>Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012-10. The adoption of the new Standard has no financial impact for Perth Theatre Trust as it does not hold investments in associates and the accounting treatments for joint operations is consistent with current practice.</p>	1 Jan 2014
AASB 1031	<p>Materiality</p> <p>This Standard is an interim standard cross-referencing definitions of ‘materiality’ in other Standards and will remain operative until references to AASB 1031 are removed from other Standards. There is no financial impact.</p>	1 Jan 2014
AASB 1055	<p>Budgetary Reporting</p> <p>This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the GGS. Perth Theatre Trust will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.</p>	1 Jan 2014

		Operative for reporting periods beginning on/after
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Int 10 & 12] [modified by AASB 2010-7]	1 Jan 2015
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127] This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	1 Jan 2015
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17] This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. The Model Statutory Authority has undertaken an analysis of the suite of Consolidation and Joint Arrangements Standards and determined that there is no financial impact arising from adoption of the various Standards.	1 Jan 2014
AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact. Perth Theatre Trust does not routinely hold financial assets and financial liabilities that it intends to settle on a net basis, therefore there is no financial impact.	1 Jan 2014
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets. This Standard introduces editorial and disclosure changes. There is no financial impact.	1 Jan 2014

		Operative for reporting periods beginning on/after
AASB 2013-4	<p>Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]</p> <p>This Standard permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The model Authority does not routinely enter into derivatives or hedges, therefore there is no financial impact.</p>	1 Jan 2014
AASB 2013-8	<p>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 & 1049].</p> <p>The amendments, issued in October 2013, provide significant guidance to clarify whether determine whether a not-for-profit entity controls another entity when financial returns aren't a key attribute of the investor's relationship. The Standard has no financial impact in its own right, rather the impact results from the adoption of the amended AASB 10.</p>	1 Jan 2014
AASB 2013-9	<p>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.</p> <p>This omnibus Standard makes amendments to other Standards arising from the deletion of references to AASB 1031 in other Standards for periods beginning on or after 1 January 2014 (Part B), and, defers the application of AASB 9 to 1 January 2017 (Part C). The Authority has not yet determined the application or the potential impact of AASB 9, otherwise there is no financial impact for Part B.</p>	1 Jan 2014 1 Jan 2017
AASB 2014-1	Amendments to Australian Accounting Standards	1 July 2014 1 Jan 2015 1 Jan 2016 1 Jan 2018

Perth Theatre Trust has not yet determined the application of the potential impact of the Standard.

Note 7. Employee benefits expense

	2014 \$000	2013 \$000
Wages and salaries ^(a)	11,536	11,331
Superannuation - defined contribution plans ^(b)	93	171
Superannuation - other schemes	913	770
Long service leave ^(a)	147	278
Annual leave ^(a)	593	789
Other related expenses	876	837
	14,158	14,176

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.

(b) Defined contribution plans include West State, Gold State and GESB Super Schemes.

Employment on-costs such as workers compensation insurance are included at note 11 'Other Expenses'.

The employment on-costs liability is included at note 30 'Provisions'.

Note 8. Supplies and services

	2014 \$000	2013 \$000
Communications	361	401
Consultants and contractors	316	91
Consumables	247	234
Advertising and promotion	191	234
Management fees	739	718
Programming	692	373
Equipment purchases	163	262
Insurance premiums	251	242
Lease hire	316	257
Legal fees	61	30
Licences	2	90
Maintenance	1,198	753
Printing	14	10
Bank and credit card charges	19	64
Temporary staff	64	83
Travel	79	98
Entertainment	62	49
Other	100	387
	4,875	4,376

Note 9. Depreciation and amortisation expense

	2014 \$000	2013 \$000
Depreciation		
Buildings	2,684	2,747
Leasehold improvements	204	224
Plant, equipment and vehicles	1,125	1,129
Total depreciation	4,013	4,100
Amortisation		
Intangible assets	182	238
Total amortisation	182	238
Total depreciation and amortisation	4,195	4,338

Note 10. Accommodation expenses

	2014 \$000	2013 \$000
Repairs and maintenance	848	824
Rent	46	325
Electricity and gas	1,244	1,339
Water	188	234
Cleaning	186	222
Security	234	188
Other	241	610
	2,987	3,742

Note 11. Other expenses

	2014 \$000	2013 \$000
Sponsorship	23	85
Employment on-costs	162	151
Audit Fees	30	25
Doubtful debts expense	0	0
Other	106	20
	321	281

Note 12. User charges and fees

	2014 \$000	2013 \$000
Venue hire and related charges	7,324	6,758
BOCS ticketing fees ^(a)	7	1,407
	7,331	8,165

(a) BOCS ticketing was decommissioned in September 2012.

Note 13. Trading profit

	2014 \$000	2013 \$000
Sales	4,988	4,268
Cost of Sales:		
Opening inventory	(110)	(102)
Purchases	(1,244)	(1,109)
	(1,354)	(1,211)
Closing inventory	124	110
Cost of Goods Sold	(1,230)	(1,101)
Trading Profit	3,758	3,167

Note 14. Sponsorship

	2014 \$000	2013 \$000
AEG Ogden (Perth) Pty Ltd sponsorship	415	400
His Majesty Theatre Foundation sponsorship	0	45
	415	445

Note 15. Interest revenue

	2014 \$000	2013 \$000
Bank interest	112	142
	112	142

Note 16. Other revenue

	2014 \$000	2013 \$000
Grants and subsidies	400	330
Commission	57	40
Recoup of previous years expenditure	40	4
Donations	1	94
Other	1,242	905
Reinstatement of Assets previously expensed	281	0
Royalties	0	139
	2,021	1,512

Note 17. Net gain/(loss) on disposal of non-current assets

	2014 \$000	2013 \$000
Proceeds from disposal of non-current assets		
Plant, equipment and vehicles	0	3
Costs of disposal of non-current assets		
Plant, equipment and vehicles	(140)	(341)
Net gain/(loss)	(140)	(338)

Note 18. Income from State Government

	2014 \$000	2013 \$000
Appropriation received during the year:		
Service appropriation ^(a)	14,493	10,577
	14,493	10,577
State grants and subsidies ^(b)		
Grant payments made by the Department of Culture and Arts for the following projects:		
(i) His Majesty Theatre Façade Maintenance	0	0
(ii) His Majesty Theatre Venues IT Upgrade	0	0
(iii) His Majesty Theatre Fire Panels Upgrade	0	21
(iv) His Majesty Theatre Back Stage Goods Hoist	0	0
(v) Perth Concert Hall Chiller Maintenance	390	0
(vi) State Theatre Equipment	115	22
(vii) HMT ETC Lighting Consoles	0	113
(viii) HMT BOH Communication System	0	65
	505	221

Services received free of charge ^(c)

Determined on the basis of the following amounts provided by Department of Culture and the Arts:

(i) Payroll expenditure	(29)	2,812
(ii) Operating expenditure	0	0
(iii) Computer equipment	1	0
(iv) State Solicitors Office	25	4
	(2)	2,816

Assets transferred from/(to) other State government agencies during the period

Assets assumed / (transferred)	64	0
Leave Holding Account assumed / (transferred) ^(d)	57	0
27th Pay Holding Account assumed / (transferred) ^(d)	84	0
Leave liabilities (assumed) / transferred ^(d)	(350)	0
	(145)	0

Department of Premier and Cabinet:

Grant subsidy for the Royal Concertgebouw Orchestra	250	0
	15,101	13,614

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liability during the year.

(b) State grants and subsidies relates to capital works and maintenance projects funded by the Department of Culture and the Arts.

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

(d) Discretionary transfers of assets and liabilities between State Government agencies are reported under Income from State Government. Accrued salaries and leave liability accounts with Treasury WA as well as the annual leave, long service leave and on costs provisions have been transferred from Department of Culture and the Arts to the Perth Theatre Trust, Also see note 5 'Machinery of Government' and note 30 'Provisions'.

Note 19. Restricted cash and cash equivalents

	2014 \$000	2013 \$000
Current		
AEG Ogden (Perth) Pty Ltd Cash at Bank ^(a)	3,246	3,190
Robert Finley Trust Account ^(a)	5	12
	<u>3,251</u>	<u>3,202</u>
Non Current		
Accrued salaries suspense account ^(b)	84	0
	<u>84</u>	<u>0</u>

(a) The balance of Restricted cash comprises ticket sales held in trust pending the presentation of events and performances.

It also includes His Majesty Theatre Foundation funds and the Robert Finley trust account.

(b) Funds held in the suspense account for the purpose of meeting the 27th pay in a financial year that occurs every 11th year.

Note 20. Inventories

	2014 \$000	2013 \$000
Current		
Inventories held for resale:		
Liquor and consumable catering supplies	124	110
	<u>124</u>	<u>110</u>

Note 21. Receivables

	2014 \$000	2013 \$000
Current		
Receivables	373	342
Allowance for impairment of receivables	0	0
GST receivable	101	95
Total current	474	437
Reconciliation of changes in the allowance for impairment of receivables		
Balance at start of year	0	24
Doubtful debts expense recognised in the statement of comprehensive income	0	0
Amounts written off during the period	0	(24)
Amounts recovered during the period	0	0
Balance at end of year	0	0

Note 22. Amounts receivable for services

	2014 \$000	2013 \$000
Non-current	21,559	17,475
	21,559	17,475

Note 23. Other assets

	2014 \$000	2013 \$000
Current		
Prepayments	489	387
Accrued income	333	323
	822	710

Note 24. Property, plant and equipment

	2014 \$000	2013 \$000
Land		
At fair value ^(a)	23,900	24,200
Accumulated impairment losses	0	0
	23,900	24,200
Buildings		
At fair value ^(a)	175,752	178,423
At cost	0	0
Accumulated depreciation	(9)	0
Accumulated impairment losses	0	0
	175,743	178,423
Works in progress		
At cost	0	0
	0	0
Leasehold improvements		
At cost	5,146	5,364
Accumulated depreciation	(2,780)	(2,679)
Accumulated impairment losses	0	0
	2,366	2,685
Plant, equipment and vehicles		
At cost	15,305	11,748
Accumulated depreciation	(9,468)	(5,441)
Accumulated impairment losses (Note 25)	0	(296)
	5,837	6,011
Works of art		
At cost	6	6
Accumulated impairment losses	0	0
	6	6
	207,852	211,325

(a) Land and buildings were revalued as at 1 July 2013 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2014 and recognised at 30 June 2014. In undertaking the revaluation, fair value was determined by reference to market values for land \$23,900,000 (2013: \$24,200,000) while buildings was determined on the basis of depreciated replacement cost.

His Majesty's Theatre is a heritage listed building to which Perth Theatre Trust holds title. A caveat no. D267573 is also registered over the property. The State Theatre Centre was transferred from the Department of Culture and the Arts on 1 February 2011. The Albany Entertainment Centre was transferred from the Great Southern Development Commission on 1 July 2010.

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the reporting period are set out in the table below.

	Freehold Land \$000	Buildings \$000	Works in progress \$000	Leasehold improv. \$000	Plant, equipment and vehicles \$000	Works of art \$000	Total \$000
2014							
Carrying amount at start of year	24,200	178,423	0	2,685	6,011	6	211,325
Reinstated assets previously expensed	0	4	0	0	250	0	254
Additions	0	0	0	10	742	0	752
Transfers	0	0	0	(3)	(23)	0	(26)
Other disposals	0	0	0	(122)	(18)	0	(140)
Revaluation increments / (decrements)	(300)	0	0	0	0	0	(300)
Depreciation	0	(2,684)	0	(204)	(1,125)	0	(4,013)
Carrying amount at end of year	23,900	175,743	0	2,366	5,837	6	207,852
2013							
Carrying amount at start of year	23,900	186,834	0	3,200	6,907	6	220,847
Additions	0	0	0	0	267	0	267
Adjustment from previous financial year	0	0	0	0	0	0	0
Transfers	0	(4)	0	0	(22)	0	(26)
Other disposals	0	0	0	(291)	(12)	0	(303)
Revaluation increments / (decrements)	300	(5,660)	0	0	0	0	(5,360)
Depreciation	0	(2,747)	0	(224)	(1,129)	0	(4,100)
Carrying amount at end of year	24,200	178,423	0	2,685	6,011	6	211,325

Note 25. Fair value measurements

Assets Measured at fair value:

	Level 1	Level 2	Level 3	Fair Value at end of period
	\$000	\$000	\$000	\$000
2014				
Land (Note 24)	0	0	23,900	23,900
Buildings (Note 24)	0	0	175,743	175,743
Carrying amount at end of year	0	0	199,643	199,643

There were no transfers between Levels 1, 2 or 3 during the period.

Fair value measurements using significant unobservable inputs (Level 3)

	Land \$000	Buildings \$000
2014		
Fair Value at start of period	24,200	178,423
Additions	0	4
Revaluation increments/(decrements) recognised in Profit or Loss		
Revaluation increments/(decrements) recognised in Other Comprehensive Income	(300)	0
Transfers (from/(to) Level 2)		
Disposals	0	0
Depreciation Expense	0	(2,684)
Fair Value at end of period	23,900	175,743
Total Gains or losses for the period included in profit or loss, under 'Other Gains'	0	0
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	0	0

Valuation Processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's instructions require valuations of land, buildings and infrastructure to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Fair value for existing use specialised buildings and infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications.

Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 30 June 2014 \$000	Valuation Technique	Unobservable inputs	Range of unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Land (\$23,900)	Current use	Selection of land with similar approximate utility	\$2,131 - \$5,069 per m ² (3,600 per m ²)	Higher value of similar land increases estimated fair value.
Building (\$175,743)	Depreciated replacement cost	Consumed economic benefit	2.25% - 2.5% per year (2.33% per year)	Greater consumption benefit lowers the fair value.
		Historical cost per cubic metre (m ³)	\$21,602 - \$31,724 per m ³ (\$26,663 per m ³)	Higher Historical cost increases the fair value

Reconciliations of the opening and closing balances are provided in Notes 24 and 25.

Fair value for restricted use land is based on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land), or, comparison with market evidence for land with low level utility (high restricted use land).

Significant Level 3 inputs used by the Perth Theatre Trust are derived and evaluated as follows:

Historical cost per square metre floor area (m²)

The costs of constructing specialised buildings with similar utility are extracted from financial records of the Perth Theatre Trust, then indexed by movement in CPI.

Consumed economic benefit/obsolescence of asset

These are estimated by the Western Australian Land Information Authority (Valuation Services).

Selection of land with restricted utility

Fair value for restricted use land determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low level utility are selected by Western Australian Land Information Authority (Valuation Services).

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Perth Theatre Trust's enabling legislation.

Note 26. Intangible assets

	2014 \$000	2013 \$000
Computer software		
At cost	948	948
Accumulated amortisation	(819)	(597)
Accumulated impairment losses (Note 27)	0	(40)
	129	311
Reconciliations:		
Computer software		
Carrying amount at start of year	311	609
Additions	0	0
Transfers	0	(20)
Disposals	0	(40)
Amortisation expense	(182)	(238)
Carrying amount at end of year	129	311

Note 27. Impairment of assets

There were indications of impairment of property, plant and equipment and intangible assets at 30 June 2014.

Property, plant and equipment

	2014 \$000	2013 \$000
Leasehold improvements		
At cost	0	511
Accumulated depreciation	0	(221)
impairment loss recognised in the income statement	0	(290)
Carrying amount at end of year	0	0

Intangible Asset

Computer software

At cost	0	127
Accumulated depreciation	0	(87)
impairment loss recognised in the income statement	0	(40)
Carrying amount at end of year	0	0

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

All surplus assets at 30 June 2014 have been classified as assets held for sale or written-off.

Note 28. Payables

	2014 \$000	2013 \$000
Current		
Trade payables	1,336	1,785
	1,336	1,785

Note 29. Funds held in trust

	2014 \$000	2013 \$000
Ogden AEG Bank Account	3,311	3,190
Robert Finley Trust Account	5	12
	3,316	3,202

Note 30. Provisions

	2014 \$000	2013 \$000
Current		
Employee benefits provision		
Annual leave ^(a)	399	309
Long service leave ^(b)	145	115
	544	424
Other provisions		
Employment on-costs ^(c)	32	20
	576	444
Non current		
Employee benefits provision		
Long service leave ^(b)	153	71
	153	71
Other provisions		
Employment on-costs ^(c)	25	13
	178	84

(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2014 \$000	2013 \$000
Within 12 months of the end of the reporting period	399	309
More than 12 months after the reporting period	0	0
	399	309

(b) Long service leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2014 \$000	2013 \$000
Within 12 months of the end of the reporting period	145	115
More than 12 months after the reporting period	153	71
	298	186

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense is disclosed in note 11 'Other expenses'.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

	2014 \$000	2013 \$000
Employment on-cost provision		
Carrying amount at start of year	33	32
Additional provisions recognised	47	20
Payments/other sacrifices of economic benefits	(27)	(19)
Carrying amount at end of year	53	33

Note 31. Other liabilities

	2014 \$000	2013 \$000
Current		
Accrued expenses	487	1,153
Income received in advance	194	0
	681	1,153

Note 32. Equity

The Western Australian Government holds the equity interest in Perth Theatre Trust on behalf of the community. Equity represents the residual interest in the net assets of Perth Theatre Trust. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

	2014 \$000	2013 \$000
Balance at start of period	193,659	193,659
Transfer of net assets from other agencies		
State Theatre Centre Equipment - Department of Culture and the Arts	0	0
Total contributions by owners	0	0
Balance at end of period	193,659	193,659

Reserves

	2014 \$000	2013 \$000
Asset revaluation surplus		
Balance at start of period	12,250	17,610
Net revaluation increments/(decrements):		
Land	(300)	300
Buildings	0	(5,660)
Balance at end of period	11,950	12,250

Accumulated surplus

	2014 \$000	2013 \$000
Balance at start of period	22,533	22,739
Result for the period	2,062	(206)
Balance at end of period	24,595	22,533
Total equity at end of period	230,204	228,442

Note 33. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2014 \$000	2013 \$000
Cash and cash equivalents	1,996	1,540
Restricted cash and cash equivalents (note 19 'Restricted cash and cash equivalents')	3,335	3,202
	5,331	4,742

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2014 \$000	2013 \$000
Net cost of services	(13,039)	(13,820)
Non cash items:		
Depreciation and amortisation expense (note 9)	4,195	4,338
Doubtful debts expense (note 11)	0	0
Services received free of charge (note 18)	(2)	2,816
Net loss on sale of property, plant and equipment (note 17)	140	338
(Increase)/decrease in assets:		
Current inventories	(14)	(8)
Current receivables ^(a)	(67)	246
Other current assets	(112)	(253)
Increase/(decrease) in liabilities:		
Current payables ^(a)	(434)	(89)
Funds held in trust	114	(1,993)
Current provisions	(124)	1
Other current liabilities	(472)	690
Non current provisions	0	11
Net GST receipts/(payments) ^(b)	(7)	(72)
Change in GST in receivables/payables ^(c)	0	(21)
Net cash provided by/(used in) operating activities	(9,822)	(7,816)

(a) Note that the Australian Taxation Office (ATO) receivable/ payable in respect of GST and receivable/payable in respect of sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

(b) This is the net GST paid/received, i.e. cash transactions.

(c) This reverses out the GST in receivables and payables.

At the end of the reporting period, Perth Theatre Trust had fully drawn down on all financing facilities, details of which are disclosed in the financial statements.

Note 34. Commitments

The commitments below are inclusive of GST where relevant.

Non-cancellable operating Lease commitments

Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements, are payable as follows:

	2014 \$000	2013 \$000
Within 1 year	9	25
Later than 1 year and not later than 5 years	2	13
	11	38

Note 35. Events occurring after the reporting date

No events have occurred after balance date that would require disclosure or an adjustment to the financial statements as at 30 June 2014.

Note 36. Explanatory statement

Significant variations between estimates and actual results for 2014 and between the actual results for 2013 and 2014 are shown below. Significant variations are considered to be those greater than 10% or \$100,000.

Significant variances between estimated and actual result for 2014

	2014 Estimates \$000	2013 Actual \$000	Variation \$000
Employee benefits expense	13,584	14,158	574
Supplies and services	3,903	4,875	972
Depreciation and amortisation expense	4,370	4,195	(175)
Accommodation expenses	3,367	2,987	(380)
Cost of Sales	985	1,230	245
Loss on sale of non current assets	0	140	140
Other expenses	487	321	(166)
User charges and fees	6,208	7,331	1,123
Sales	3,967	4,988	1,021
Interest revenue	90	112	22
Service appropriation	14,710	14,493	(217)
State grants and subsidies	505	755	250
Resources received free of charge	0	(2)	(2)
Assets assumed	0	(145)	(145)

Employee benefits expense

The higher than budgeted cost of Employee benefits expense is a result of the higher than budgeted revenue for 2013-14 which resulted in greater number of casual staff required to sustain the increased activity.

Supplies and services

The higher than budgeted cost of supplies and services can be attributed to unexpected computer network costs outside the service contract and unplanned urgent and compliance repairs to plant and equipment.

Depreciation and amortisation expense

The decrease is as a result of an overestimation of the depreciation expense for building

Accommodation expenses

The variance can be attributed to overbudgeted charges for Water and Gas.

Cost of Sales

The higher than budgeted cost of sales can be attributed to a higher number of events taking place in 2013-14 than what was budgted for, which consequently resulted in an increase in sales and subsequent increase in cost of sales.

Loss on disposal of non-current assets

This item was not budgeted for, all the assets disposed of in 2013-14 were scrapped .

Other expenses

The increase in other expenses can be attributed to unbudgeted bad debts expenditure and higher workers compensation costs as a result of higher than budgeted wages for the year.

User charges and fees

The large increase in user charges and fees is a result of a higher number of events that took place in 2013-14 than what was budgeted for.

Sales

The large increase in sales is a result of a higher number of events that took place in 2013-14 than what was budgeted for.

Interest revenue

This variance is a result of the greater interest earned on the new ticketing division bank account. When preparing the budget, there was insufficient history to forecast the interest revenue.

Service appropriation

The actual service appropriation was lower than budget due to the Whole of Government corrective measures implemented in 2013-14

State grants and subsidies

The increase can be attributed to a once off grant from the Department fo Premier & Cabinet that was not budgeted for.

Resources received free of charge

The variance relates to legal services provided by the State Solicitors Office which were not budgeted for.

Assets assumed

This variance is a result of the Machinery of Government Changes, which took effect on 1 July 2013, where employee benefit provisions such as annual leave, long service leave and employment on costs, previously held by the Department of Culture and the Arts are transferred to the PTT. In addition accrued salaries and leave liability holding accounts with Treasury are transferred to Perth Theatre Trust. These balances were not incorporated as assets assumed in the budget.

Significant variances between actual results for 2013 and 2014

	2014 \$000	2013 \$000	Variation \$000
Income			
User charges and fees	7,331	8,165	(834)
Sales	4,988	4,268	720
Interest revenue	112	142	(30)
Service appropriation	14,493	10,577	3,916
State grants and subsidies	755	221	534
Other revenue	2,021	1,512	509
Services received free of charge	(2)	2,816	(2,818)
Expenses			
Supplies and services	4,875	4,376	499
Accommodation expenses	2,987	3,742	(755)
Cost of sales	1,230	1,101	129
Loss on disposal of non-current assets	140	341	(201)
Depreciation	4,195	4,338	(143)

User charges and fees

The variance can be attributed to the decommissioning of BOCS ticketing in 2012-13.

Sales

The increase in sales can be attributed to more events held in the 2013-14 and more attendees in comparison to 2012-13.

Interest Revenue

The variance can be attributed to a decline in interest rates in 2013-14.

Service appropriation

The increase in service appropriation can be attributed to the Machinery of Government Changes which took effect from 1 July 2013. The impact of these changes was that salary costs, superannuation and FBT expenses which were previously attributed to the Department of Culture & The Arts were now being appropriated direct to the Perth Theatre Trust.

State grants and subsidies

The variance can be attributed to a once of grant received from the Department of Premier Cabinet.

Other revenue

The variance can be attributed to ticketing rebates and commissions revenues at His Majestys Theatre and Perth Concert Hall. These two venues combined, in 2013-14, held 52 more events than in 2012-13. In addition, the increase can be explained by the reinstatement of assets in the 2014 year which were previously expensed.

Services received free of charge

The reduction in service appropriation can be attributed to the Machinery of Government Changes which took effect from 1 July 2013. The impact of these changes was that salary costs, superannuation and FBT expenses which were previously attributed to the Department of Culture & The Arts and recorded as services received free of charge were now being appropriated direct to the Perth Theatre Trust.

Supplies and services

The variance can be attributed to an increase in repairs to minor equipment as well as an overall increase in direct costs as a result of the increased activity at the venues.

Accommodation expenses

The decrease in accommodation costs for the 2013-14 can be attributed to the decommissioning of BOCS ticketing in the 2012-13 financial year.

Cost of sales

The increase in cost of sales is directly attributable to the increase in sales in the 2013-14 due to the increased activity.

Loss on disposal of non-current assets

In the 2013-14 year, less assets were written off/disposed of in comparison to the 2012-13. In the 2012-13 the assets which were written off relate to undepreciated BOCS ticketing assets.

Depreciation

The decrease is mainly attributable to the reduction of the building values after the revaluation in 2012-13.

Note 37. Financial instruments

(a) Financial risk management objectives and policies

Financial Instruments held by Perth Theatre Trust are cash and cash equivalents, restricted cash and cash equivalents, receivables and payables. Perth Theatre Trust has limited exposure to financial risks. Perth Theatre Trust's overall risk management program focuses on managing the risks identified below.

Credit Risk

Credit risk arises when there is the possibility of Perth Theatre Trust's receivables defaulting on their contractual obligations resulting in financial loss to Perth Theatre Trust.

The maximum exposure to credit risk at the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 37(c) 'Financial instruments disclosures' and note 21 'Receivables'.

Credit risk associated with Perth Theatre Trust's financial assets is minimal because the main receivable is the amount receivable for services (holding account). For receivables other than government, Perth Theatre Trust trades only with recognised, creditworthy third parties. Perth Theatre Trust has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that Perth Theatre Trust's exposure to bad debts is minimal. At the end of the reporting period there are no significant concentrations of credit risk.

Liquidity Risk

Liquidity risk arises when Perth Theatre Trust is unable to meet its financial obligations as they fall due.

Perth Theatre Trust is exposed to liquidity risk through its trading in the normal course of business.

Perth Theatre Trust has appropriate procedures to manage cash flows including drawdowns of appropriation by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect Perth Theatre Trust's income or value of its holdings of financial instruments. Perth Theatre Trust does not trade in foreign currency and is not materially exposed to other price risks. Perth Theatre Trust does not have any exposure to market risk for changes in interest rates.

(b) Categories of financial instruments

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

	2014 \$000	2013 \$000
Financial Assets		
Cash and cash equivalents	1,996	1,540
Restricted cash and cash equivalents	3,335	3,202
Receivables ^(a)	22,265	18,140
Financial Liabilities		
Financial liabilities measured at amortised cost	0	6

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial instrument disclosures

Credit risk

The following table discloses Perth Theatre Trust's maximum exposure to credit risk and the ageing analysis of financial assets. Perth Theatre Trust's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Perth Theatre Trust

Perth Theatre Trust does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

Ageing analysis of financial assets

	Carrying Amount \$000	Past due but not impaired						Impaired financial assets \$000
		Not past due and not impaired \$000	Up to 1 month \$000	1-3 months \$000	3 months to 1 year \$000	1-5 years \$000	More than 5 years \$000	
2014								
Cash and cash equivalents	1,996	1,996						
Restricted cash and cash equivalents	3,335	3,335						
Receivables ^(a)	706	0	19	0	23	0		
Amounts receivable for services	21,559	21,559						
	27,596	26,890	19	0	23	0	0	0
2013								
Cash and cash equivalents	1,540	1,540						
Restricted cash and cash equivalents	3,202	3,202						
Receivables ^(a)	665	526	59	26	44	10		
Amounts receivable for services	17,475	17,475						
	22,882	22,743	59	26	44	10	0	0

(a) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Liquidity risk and interest rate exposure

The following table details Perth Theatre Trust's interest rate exposure and contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$000	Interest rate exposure			Nominal amount \$000	Maturity dates				
			Fixed interest rate \$000	Variable interest rate \$000	Non - interest bearing \$000		Up to 1 month \$000	1-3 months \$000	3 months to 1 year \$000	1-5 years \$000	More than 5 years \$000
2014											
Financial Assets											
Cash and cash equivalents	2.81%	1,996		1,996		1,996	1,996				
Restricted cash and cash equivalents	2.81%	3,335		3,335		3,335	3,335				
Receivables ^(a)	-	706		0	706	706	706				
Amounts receivable for services	-	21,559		0	21,559	21,559				21,559	
		27,596	0	5,331	22,265	27,596	6,037	0	0	21,559	0
Financial Liabilities											
Payables	-	2,017			2,017	2,017	2,017				
Funds held in trust	-	3,316			3,316	3,316	3,316				
		5,333	0	0	5,333	5,333	5,333	0	0	0	0
2013											
Financial Assets											
Cash and cash equivalents	3.62%	1,540		1,540		1,540	1,540				
Restricted cash and cash equivalents	3.62%	3,202		3,202		3,202	3,202				
Receivables ^(a)	-	665		0	665	665	665				
Amounts receivable for services	-	17,475		0	17,475	17,475				17,475	
		22,882	0	4,742	18,140	22,882	5,407	0	0	17,475	0
Financial Liabilities											
Payables		2,938			2,938	2,938	2,938				
Funds held in trust		3,202			3,202	3,202	3,202				
	-	6,140	0	0	6,140	6,140	6,140	0	0	0	0

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of Perth Theatre Trust's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying Amount \$000	-100 basis points		+100 basis points	
		Surplus \$000	Equity \$000	Surplus \$000	Equity \$000
2014					
Financial Assets					
Cash and cash equivalents	1,996	(20)	(20)	20	20
Restricted cash and cash equivalents	3,335	(33)	(33)	33	33
		(53)	(53)	53	53
2013					
Financial Assets					
Cash and cash equivalents	1,540	(15)	(15)	15	15
Restricted cash and cash equivalents	3,202	(32)	(32)	32	32
		(47)	(47)	47	47

Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Note 38. Remuneration of trustees of Perth Theatre Trust and senior officers

Remuneration of trustees of Perth Theatre TrustThe number of members of Perth Theatre Trust, whose total of fees, salaries, superannuation and non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2014	2013
\$		
0 - 10,000	6	8
	\$000	\$000
Base remuneration and superannuation		
Annual leave and long service leave accruals		
Other benefits		
The total remuneration of trustees of Perth Theatre Trust	30	36

The total remuneration includes the superannuation expense incurred by Perth Theatre Trust in respect of trustees of Perth Theatre Trust.

Remuneration of senior officers

The number of senior officers, other than senior officers reported as trustees of Perth Theatre Trust, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

	2014	2013
\$		
200,001 - 210,000	0	1
210,000 - 220,000	0	0
230,000 - 240,000	0	0
240,000 - 250,000	1	0
	\$000	\$000
Base remuneration and superannuation	213	158
Annual leave and long service leave accruals	31	22
Other benefits	0	20
The total remuneration of trustees of Perth Theatre Trust	244	200

The total remuneration includes the superannuation expense incurred by Perth Theatre Trust in respect of senior officers other than senior officers reported as trustees of Perth Theatre Trust.

Note 39. Remuneration of auditor

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

	2014 \$000	2013 \$000
Auditing the accounts, financial statements and key performance indicators	28	25

Note 40. Related bodies

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

Note 41. Affiliated bodies

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

Note 42. Special purpose accounts

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

Perth Theatre Trust Bookings Account

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

	2014 \$000	2013 \$000
Balance at the start of the year	0	4,550
Receipts	0	38,291
Payments	0	(42,841)
Balance at the end of the year	0	0

Note 43. Supplementary financial information

(a) Write-offs

	2014 \$000	2013 \$000
Public property written-off by the Board of Trustees during the financial year	0	17

(b) Losses through theft, defaults and other causes

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

(c) Gift of public property

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

Note 44. Schedule of income and expenses by service

Perth Theatre Trust operates under one service called Venue Management Services.

Image credits:

Front cover - clockwise top left to right

- Independent Theatre Festival, 'The Little Mermaid'. Photo by Libby Edwards.
- Perth Concert Hall interior. Photo by Stephen Nicholls.
- Perth Concert Hall interior. Photo by Stephen Nicholls.
- Royal Concertgebouw. Photo by Simon Van Boxtel.
- Mariss Jansons, Royal Concertgebouw. Photo by Anne Dokter.
- Australian Dance Theatre, 'G'. Photo by Chris Herzfeld.

Inside and back cover

- Albany Entertainment Centre exterior. Photo by Geoff Bickford.

Document

- Contents - Australian Dance Theatre, 'G'. Photo by Chris Herzfeld.
- Pages 2 and 3 - Royal Concertgebouw. Photo by Stephen Nicholls.
- Pages 6 and 7 - Albany Entertainment Centre exterior. Photo by Alison Paine.
- Pages 8 and 9 - Circus Oz, 'From the Ground Up'. Photo by Robert Blackburn.
- Pages 10 and 11 - Cabaret Soiree, 'Just a Little Something'. Photo by James Thomas.
- Page 13 - Albany Entertainment Centre interior. Photo by Geoff Bickford.
- Pages 14 and 15 - Independent Theatre Festival, 'The Little Mermaid'. Photo by Libby Edwards.
- Page 19 - Perth Concert Hall exterior. Photo by Stephen Nicholls.
- Pages 21, 22, 23 - Perth Concert Hall interior. Photo by Stephen Nicholls.
- Pages 24, 25, 26 - His Majesty's Theatre interior. Photo by Robert Garvey.
- Pages 27, 28, 29 - Subiaco Arts Centre interior. Photo by Frances Andrijich.
- Pages 30, 31, 32, 33 - State Theatre Centre of Western Australia interior. Photo by Eva Fernandez.
- Pages 34, 35, 36 - Albany Entertainment Centre exterior. Photo by Geoff Bickford.
- Page 37 - His Majesty's Theatre exterior. Photo by Robert Garvey.
- Pages 38 and 39 - Bell Shakespeare, 'Henry V'. Photo by Lisa Tomasetti.
- Pages 40 and 41 - Perth Concert Hall interior. Photo by Stephen Nicholls.
- Pages 44 and 45 - Australian Dance Theatre, 'G'. Photo by Chris Herzfeld.
- Pages 46 and 47 - Albany Entertainment Centre interior. Photo by Geoff Bickford.
- Page 51 - Independent Theatre Festival, 'Trampoline'. Photo by Mitchell Richards.
- Page 56 and 57 - Subiaco Arts Centre interior. Photo by Frances Andrijich.

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