

PERTH THEATRE TRUST

ANNUAL REPORT 2014 - 2015



PERTH
THEATRE
TRUST

Perth Theatre Trust

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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 2015.

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



The Hon. Peter Blaxell
Chairman
8 September 2015





H I G H L I G H T S



In 2014-2015 Perth Theatre Trust has:

- ▶ Successfully resumed management of His Majesty's Theatre (HMT), State Theatre Centre of Western Australia (STCWA), Subiaco Arts Centre (SAC) and Albany Entertainment Centre (AEC).
- ▶ Reduced costs in a number of areas including facilities management by reviewing staffing levels and processes.
- ▶ Partnered with promoters on highly successful programs such as *The Last Confession* in August 2014 and Geoffrey Robertson's *Dreaming Too Loud* in May 2015 (both at HMT). These provided revenue for the Trust to support business operations such as improvements to venues.
- ▶ Recognised savings through rationalisation of positions in the Corporate Services and Ticketing Operations areas and a reduction to some of the non-essential expenses.

- ▶ Announced new relationships with:
 - ▶ Perth International Arts Festival
 - ▶ Fringe World Festival
 - ▶ Awesome Arts
 - ▶ Western Australian Association for Mental Health
 - ▶ RTRFM
- ▶ Achieved a 448 per cent increase in attendances in the STCWA courtyard compared to 2013-2014.
- ▶ Increased attendances across all major performing spaces at the STCWA compared to 2013-2014.
- ▶ Recorded a 90 per cent increase in the number of comedy performances across PTT venues. In 2014-2015 there were 203 comedy/music comedy performances compared to 107 in 2013-2014.

- ▶ Recorded an 8.6 per cent increase in attendance at AEC.
- ▶ Played a significant role in the Anzac Convoy Departure Commemorations in November 2014 with the AEC hosting a range of activities including a civic reception for dignitaries, free concerts and an installation of more than 12,000 knitted and crocheted poppies.
- ▶ Recorded an increase in the number of drama performances across PTT venues. In 2014-2015 there were 431 performances compared to 335 in 2013-2014.



29,317 more followers/subscribers across all social media platforms including a
231% increase in electronic newsletter subscribers.



176% increase in the number of PTT supported performances.



13,623 click throughs from PTT website to Ticketek website with a conversion rate* of

12.43% . * From 13 April 2015



310,000 tickets were sold through Ticketek.



446,204 attendances at Trust venues.



90% increase in comedy performances.



448% increase in attendances in the STCWA courtyard.



Six out of ten Independent Theatre Festival patrons attended to support independent theatre.



Based upon online survey results



Chairman's report

The last financial year saw two major changes to Perth Theatre Trust's operations. Firstly, on 1 January 2015 the Trust commenced its new system of direct venue management in place of the previous management model which had existed for 15 years. Secondly, on the same date the long term lease of the Perth Concert Hall came to an end, and under a new lease from the City of Perth, the Trust continued as lessee, but the ongoing management of that venue passed to the West Australian Symphony Orchestra.

Since then the Trust's staff have worked extremely hard on a successful transition to the new system of in-house management at His Majesty's Theatre, the State Theatre Centre, the Subiaco Arts Centre, and the Albany Entertainment Centre. The early results of this transition are quite outstanding, and indicate that Perth Theatre Trust will achieve

the major outcomes mandated by the State Government when approving the new business model. In this regard:

- ▶ Operating costs have been significantly reduced by a rationalisation of staff positions and administrative processes, and elimination of non-essential expenses.
- ▶ Revenue and attendances have increased as a result of additional programming (particularly comedy performances), and activation of underutilised spaces such as the State Theatre Centre courtyard and Downstairs at the Maj.
- ▶ Consequently there has been a substantial reduction in the Trust's annual deficit resulting in a commensurate increase in the value received by the Government and the public for each subsidy dollar.
- ▶ From the savings achieved the Trust has already committed to reinvesting \$250,000 in each of the 2015-16 and 2016-17 financial years for essential services at His Majesty's Theatre. Other funds are being used for overdue refurbishment or replacement of equipment and infrastructure at various venues.
- ▶ The net overall cost of services has been reduced from \$13,039,000 in 2013-14 to \$11,671,000 in 2014-15. This reduction is mainly attributable to the outsourcing of the food and beverage function and the transfer of the management of the Perth Concert Hall to WA Venues & Events Ltd (a subsidiary company of West Australian Symphony Orchestra) over the last half of the financial year.

- The Trust has encouraged strategic partnerships (including with Perth International Arts Festival and Fringe World) by investing funds, covering 'soft costs', or offering rebates thereby promoting presentations at our venues by local and touring companies.

The Perth Theatre Trust's current business model, as approved by Government, is based on the premise that a large proportion of ongoing savings will be reinvested back into our venues. These investments will be in the areas of infrastructure, equipment, activation, programming, and support for the local performing arts. An early priority in 2016 will be the much needed total replacement of the worn out seating at His Majesty's Theatre. There will also be upgrades to equipment and facilities at other venues.

The Perth Theatre Trust would not be where it is today without the dedication, enthusiasm and commitment of its staff led by Acting General Manager Rudi Gracias. As a team, they display a commendable private enterprise ethic combined with entrepreneurial flair. Many of them are willing to go that extra mile to achieve necessary outcomes. It is a privilege to be Chair of an organisation which has such staff, and on behalf of the Board I thank them most sincerely for their selfless work and endeavours.

I also thank my fellow Board members for their good counsel and hard work through a period of great change. I make particular mention of Michelle Tremain who was appointed to fill the vacancy left by Helen Cook, and has become a welcome addition to our Board.

The results of the first six months of in-house operations indicate that Perth Theatre Trust has a bright future, and I am very much looking forward to the year ahead. I also look forward to the Trust doing all it can over the medium term to help Western Australia's performing arts sector to grow and become stronger.



The Hon. Peter Blaxell
Chairman.





General Manager's report

In a year of tremendous change for the Perth Theatre Trust, I am pleased to report that the cost of transitioning to a new operating model, which became effective on 1 January 2015, has been achieved within budget and is already showing strong results.

The past six months has marked a significant transformation for the Trust with the resumption of direct management of PTT venues. It's a journey which began in April 2014 when the Minister for Culture and the Arts, Hon. John Day MLA, announced that after 15 years of an outsourced management model, the Trust would resume management of venues.

Over the course of the next eight months a small team of PTT staff was engaged in the transition of the operations from

AEG Ogden Perth (AEGOP) to the new business model. One of the first steps towards transition was the employment of staff. A Public Sector Commission ruling enabled the quarantining of all staff positions to existing AEGOP venue operations staff. Working with the Department of Culture and Arts Human Resources team, 57 full-time and 179 casual positions transitioned from AEGOP to the Trust.

Another significant achievement during the transition was to engage an external food and beverage service provider with a local company, Beaumonde Catering, being announced as the new caterer in November 2014. Other transition projects included the development of a new website, new branding and a new strategic plan.

While not in our original approved business plan, the Trust entered into a one-year agreement with the City of Perth for the lease of the Perth Concert Hall (PCH) with the management of PCH now with a new WASO entity.

The excision of PCH from the management of PTT has limited our ability to generate commercial income from venue hire and food and beverage operations or exercise further reductions in expenditure across all our venues. Nevertheless, as our financial reports show, in just six months the Trust has achieved the Chairman's aim of "maximum value to taxpayers for each subsidy dollar".

The challenges over the past six months cannot be understated and has involved a progressive investment in change management strategies as in-coming staff have been inducted into the Public Service, work practices have been evaluated to improve efficiencies, contracted services have been assessed, ICT has been upgraded and there has been reinvestment in essential capital equipment and services. I am pleased to say that these are being financed from within our current appropriation.

The Albany Entertainment Centre, will for the immediate future, be managed by PTT through partial funding from the Department of Regional Development and the City of Albany, with the balance being met by PTT.

Another area of the Trust's business is ticketing with the ticketing agreement novating from AEGOP to PTT. A total of 310,000 tickets were sold through Ticketek in 2014-2015 with a gross box office value of \$19,008,590.84. This is a 10 per cent increase overall over the last financial year mainly due to the increased number of events through the back half of 2014. The first six months of 2015 has seen a sustained quiet period for ticket sales leaving us around 10 per cent down on previous years for that same period.

PTT has engaged with a number of strategic partners to enhance the activation of our venues and these relationships have been thoroughly rewarding with increased attendances and a variety of entertainment genres and a cross-section of audiences.

Over the past six months the Trust has worked with resident companies and the local performing arts sector by providing direct financial assistance or waiving of 'soft costs' without detracting from our mission to support the local performing arts sector. In future we will be reporting on the impact of this contribution.

In order to reduce the financial burden on government funding, PTT has also sought out commercial ventures to eliminate vacancies between resident company venue hirings. This has been achieved by arrangement with our resident companies and PTT presentations of *The Last Confession* with the internationally known actor David Suchet, and more recently the sell-out show of Geoffrey Robertson's *Dreaming Too Loud*.

The programming content of PTT will be influenced by the product (local, touring and international) available, the cost and the financial risk in undertaking such ventures.

The future for PTT is as promising as it could ever be with our concerted effort in delivering on the strategic plan, *Strategic Direction 2015-2017*. This could be summarised as follows:

- ▶ A healthy working relationship with our key stakeholders.
- ▶ A financially sustainable operating unit.
- ▶ Support for the local small to medium arts sector.
- ▶ Reinvestment of savings in essential venue maintenance and other unfunded capital expenditure.

Finally, I would like to say we are tremendously proud of what we have achieved in just six months. This has been the result of not only enthusiasm and dedication shown by our staff but also the strong support of the Board. Thank you to the Board, the PTT transition team and the staff who joined the Trust in January 2015 for your commitment and contribution to an organisation which has a bright future.



Rudi Gracias
A/General Manager



RESULTS AT A GLANCE

Operating Expenditure
\$23.7 million

Revenue
\$12 million

Funding from State Government
\$15.6 million

**Total number of performances or events
at Trust venues in 2014/2015**
1,219

**Total number of attendances at Trust
venues in 2014/2015**
446,204

Venue statistics:

Albany Entertainment Centre

163 performances, attended by 39,261 patrons

His Majesty's Theatre

176 performances, attended by 104,714 patrons

State Theatre Centre of Western Australia

616 performances, attended by 164,173 patrons

Subiaco Arts Centre

166 performances, attended by 22,025 patrons

Perth Concert Hall*

98 performances, attended by 116,031 patrons

PTT supported programs:

	2013/2014	2014/2015	% increase 2014/15	Comment
Performances	76	214	176%	134 performances since 1 January 2015
Attendances	23,838	53,255	119%	22,212 attendances since 1 January 2015

*2014-2015 Figures are for six months only: 1 July - 31 Dec 2014



Vision

Is to have vibrant, full theatres

Mission

Is to offer wide-ranging arts experiences in well-managed venues

Agency profile

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

The venues currently managed by the Trust are:

- ▶ 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 resumed the direct management of the above listed venues on 1 January 2015.

The venues had previously been managed by AEG Ogden (Perth).

From 1 January 2015, the management of the Perth Concert Hall was taken on by the West Australian Symphony Orchestra, through WA Venue and Events Pty Ltd. The Trust leases the venue from the City of Perth. The lease expires on 31 December 2015.

Enabling legislation

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

Responsible Minister

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



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 a Finance, Audit and Risk Committee and an Albany Entertainment Centre Advisory Committee.

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.

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 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. He is a member of the Central Perth Planning Committee and LDAP member for Perth City.

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. Cr Davidson 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.



**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.

**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, former chairman of Law Australasia, currently 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. 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 for the Australian Business and the Arts.

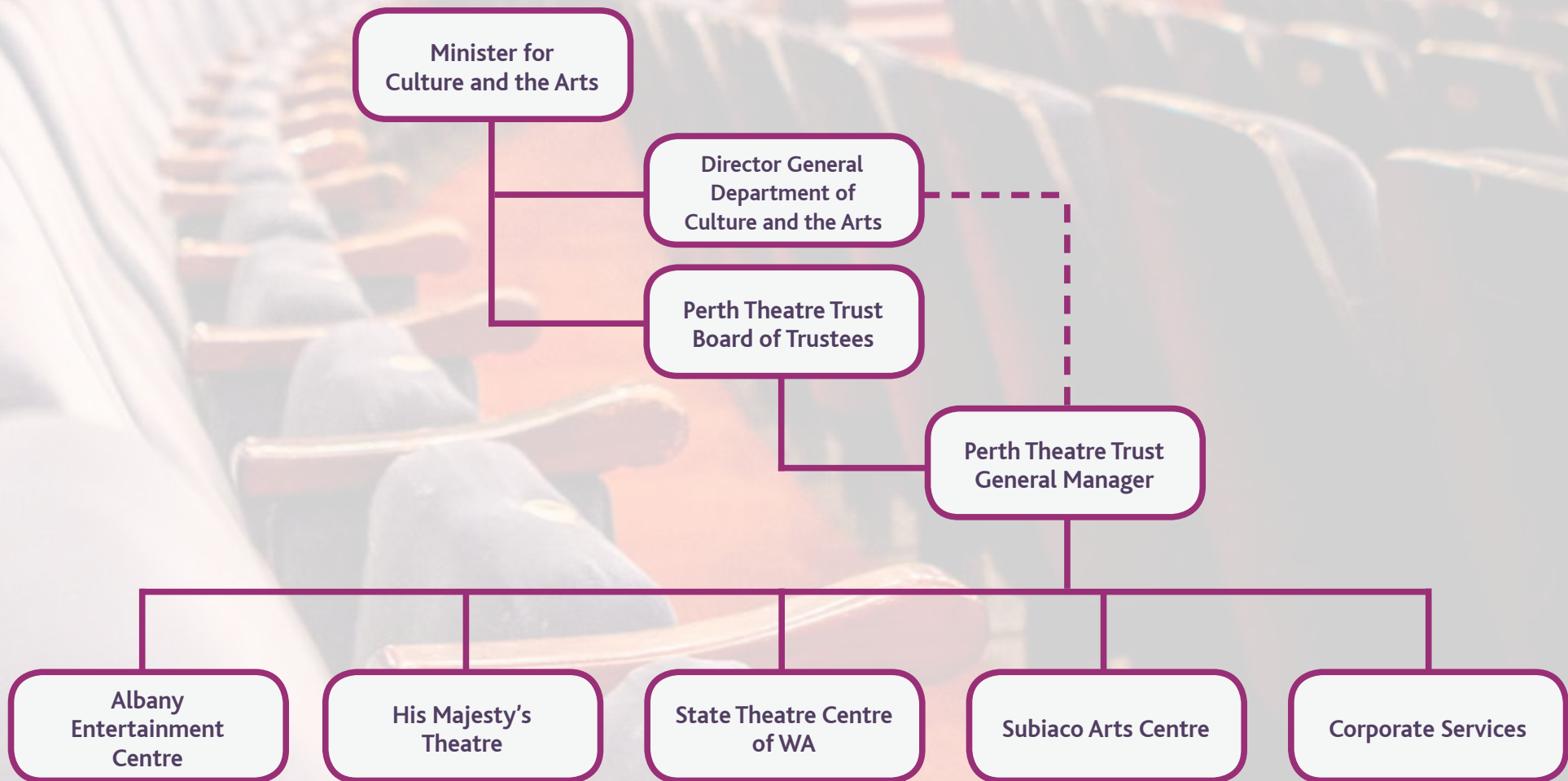
**Michelle Tremain
(Appointed August 2014)**

Michelle has been with PricewaterhouseCoopers (PwC) for 20 years - 10 of which as a partner heading up the GST team in Perth. Specialising in goods and service tax, Michelle brings substantial knowledge and experience to this key area on behalf of her many clients across a variety of sectors, including retail, finance, property and government. Michelle is actively involved at a national level as PwC's national GST Government and Not-for-Profit sector leader.

**Duncan Ord OAM
(Ex Officio)**

Director General, Department of Culture and the Arts

Organisational chart



A large, colorful striped tent with red, yellow, and white vertical stripes is the central focus. The tent has a sign that reads "The Gold Digger" in a stylized font. It is set up in a paved courtyard surrounded by a modern building with large glass windows. Many people are gathered around the tent, some standing and some sitting at tables. The scene is lively and festive.

A G E N C Y P E R F O R M A N C E

Agency performance against strategic goals

As part of the transition to a new operating model, the Trust developed a new strategic plan for 2015-2017. The Trust is guided by six strategic areas which are fundamentally aligned with PTT's Vision and Values. These are: Relationships; Audiences; Customer Experience; Vibrancy; Venue Improvement and Economic Viability.

Progress in these areas are as follows:

Strategic Objective 1: Relationships

To strengthen and build strategic partnerships which achieve greater outcomes for stakeholders and audiences.

Achievements against this strategic objective during the reporting year included:

- ▶ Establishing new strategic partnerships with several organisations with the aim of increasing audiences and venue activation. This included partnerships with:
 - ▶ Perth International Arts Festival to present a successful season of *Black Diggers*, a critically acclaimed Queensland Theatre Company's production, at STCWA from 3-7 March 2015.
 - ▶ Partnering with Fringe World on a new initiative aimed at attracting a new audience to PTT venues and to strengthen ties with the third largest fringe festival in the world. It involved building a custom-designed 300-seat pop-up venue called The Gold Digger and a comedy festival which ran throughout Fringe World 2015 (23 January – 22 February) at STCWA.
 - ▶ Local radio station RTRFM to present *The Courtyard Club* at the STCWA. The eight-week series ran from 31 October – 19 December 2014. The free concert series featured some of Perth's most exciting live acts and DJs. The series attracted more than 3,000 patrons.





- ▶ A commitment to support Awesome Arts to deliver high quality theatre performances at STCWA as part of the 2015 Awesome International Arts Festival for Bright Young Things.
- ▶ Pursuing relationships with new and existing promoters. For example, PTT worked with Asia Theatricals for the first time to present international lawyer Geoffrey Robertson's first one-man show *Dreaming Too Loud* at HMT on 5 May 2015. This was a sell-out performance.
- ▶ Supporting the Western Australian Academy of Performing Arts *Radio Active* program at the AEC in August 2014.
- ▶ Becoming a member of the Association of Asia Pacific Performing Arts Centres, a body which has a network of 67 members from over 20 countries. On a national level, engaging with Live Performance Australia, the peak representative body for the live performance industry in Australia.
- ▶ Presenting in association with Bunbury Regional Entertainment Centre and the Mandurah Performing Arts Centre leading Australian comedians Dave Hughes at the AEC in October 2014 and Cal Wilson and Claire Hooper in April 2015.

Strategic Objective 2: Audiences

To build new audiences while continuing to service existing patrons.

Achievements against this objective during the reporting year included:

- ▶ PTT launched a new responsive website on 1 January 2015. Since then there have been over 78,000 users to the website.
- ▶ Since implementing the 'buy tickets' button that is a direct link to Ticketek on 13 April, there has been over 13,500 click throughs to Ticketek.
- ▶ Across HMT, SAC, STCWA and AEC there has been an increase of over 4,000 followers on Facebook. Twitter has also seen a similar increase in followers.
- ▶ PTT e-newsletter database has tripled in size from over 10,000 in April to over 32,000 in June.
- ▶ The new responsive e-newsletter templates have continued to pass industry averages for open and click through rates.
- ▶ Delivering a second successful season of the *Independent Theatre Festival* at SAC in 2015. Ticket sales almost doubled compared to 2014, with nearly 2,000 patrons attending the season.
- ▶ Partnering, for the first time, with the Western Australian Association for Mental Health to present *Stand Up! For Comedy* at HMT to launch Mental Health Week to be held in October 2015. The Trust's inaugural *Stand Up! for Comedy* night in 2014 was a sell-out performance.
- ▶ Collaborating with Black Swan State Theatre Company to develop a possible new WA theatre production of *Lighthouse Girl*, based on the novels by Albany writer Dianne Wolfer. The project progressed in 2014-2015 with the first free public reading of the draft script at AEC on 12 June 2015.



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- ▶ Providing funding to the AEC so that Australia's leading internationally renowned companies could stage performances in Albany such as Bell Shakespeare's *Henry V* which was staged at the venue in July 2014 and Circa's 'S' in October 2014.
 - ▶ Welcoming Yirra Yaakin Theatre Company as the second resident company at SAC. Since moving in at the beginning of 2015, the company has added to the centre's vibrancy and program offering.
 - ▶ Continuing to support community programming such as *Morning Melodies* which has been running for 16 years at HMT. In 2014-2015, a total of 3,189 patrons attended four performances.
 - ▶ Ensuring that local community based arts organisations have access to the AEC. This is done by providing a rebate on ticket fees on low-priced tickets. A ticket rebate was provided to nine local arts organisations and schools in 2014-2015.
 - ▶ Supporting young people by sponsoring events such as the 19th *Performing Arts Perspectives* at HMT from 12-13 March 2015. This production, with 2,287 tickets sold over two nights, showcased the outstanding talent of performing arts students from across WA.
 - ▶ Enhancing the patron experience at HMT with the continued operation of the Museum of Performing Arts (MOPA). During 2014-2015, a total of 1,051 people visited MOPA, while the website received 2,796 page views. The Collection has reached a total of 42,720 catalogued items. Exhibitions during the year were *Anzac Coves, Treasures and Trinkets* and *The Great Variety Show of 2015*.
 - ▶ Supporting Agelink Productions to present *Cis and Barbiche* at SAC in November 2014. The production attracted 540 patrons over five performances. The result was a 90 per cent attendance rate for each performance.
 - ▶ Presenting *Cabaret Soiree Downstairs at the Maj* from August to October 2014. The season featured eight shows and 26 performances with 3,299 patrons in attendance.

Strategic Objective 3: Customer experience

To provide excellent customer experiences.

Achievements against this objective during the reporting year included:

- ▶ Appointing Beaumonde Catering as the new food and beverage operator at three Trust venues — HMT, STCWA and SAC. Beaumonde commenced on 1 January 2015.
- ▶ Increasing the number of corporate/private events at the AEC with 42 events in 2014-2015 with 4,634 attendees compared with 27 events in 2013-2014 with 1,241 attendees.
- ▶ The AEC winning the Venue Caterer Award for WA at the 2014 Restaurant and Catering Awards for Excellence announced on 4 August 2014.





Strategic Objective 4: Vibrancy

To create a vibrant and flexible working and artistic environment.

Achievements against this objective during the reporting year included:

- Hosting a range of activities at AEC as part of Anzac Convoy Departure Commemorations from 30 October to 2 November 2014 including functions for national and international dignitaries such as Prime Minister Hon. Tony Abbott MP and Governor-General, His Excellency General the Hon. Sir Peter Cosgrove.

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- ▶ Presenting two free concerts, *Now is the Hour*, by the Royal Australian Navy and the New Zealand Defence Force at AEC as part of Anzac Convoy Departure Commemorations on 2 and 3 November 2014. There were capacity audiences at both performances.
 - ▶ Recording a 448 per cent increase in attendances in the STCWA courtyard compared to 2013-2014.
 - ▶ Recording increased attendances in all major performing spaces at the STCWA compared to 2013-2014.
 - ▶ Almost doubling the number of comedy performances across PTT venues. In 2014-2015 there were 203 comedy/music comedy performances compared with 107 in 2013-2014.
 - ▶ Recording an increase in the number of drama performances across PTT venues. In 2014-2015 there were 431 performances compared with 335 in 2013-2014.
 - ▶ Continuing to see a variety of performances being staged at PTT venues. In 2014-2015 there were 114 ballet/dance performances, 29 opera performances and 25 musicals.
 - ▶ Recording an increase in attendances of 31.5 per cent at Downstairs at the Maj.



- ▶ Recording an 8.6 per cent increase in attendance at AEC.
- ▶ Presenting the popular *Harbourside Concert Series* at the AEC over eight weeks in June - July 2014. The series was presented in the Harbourside Foyer and featured 37 musicians (24 based in the Great Southern).
- ▶ Supporting FORM's Public Symposium at the STCWA in April 2015. As a result of this relationship an international artist, Moneyless, transformed a large exterior STCWA wall.
- ▶ Offering group tours at HMT with a focus on the theatre's history or behind the scenes. In 2014-2015, 619 people took part in the tours.
- ▶ Partnering with the State Records Office to present a First World War Family History Discovery Day as part of ANZAC commemorations which took place in the Perth Cultural Centre. The event was held in the STCWA courtyard on 26 April 2015.
- ▶ Hosting the popular *Anzac Coves* exhibition at AEC. The MOPA display was sponsored by the Great Southern Development Commission and Western Australian Museum to visit Albany. It was open to the public from 23 April to 21 May 2015. More than 4,600 people passed through the AEC while the exhibition was on display in the foyer.

Strategic Objective 5: Venue improvement

To achieve the highest possible standard in quality and maintenance of infrastructure.

Achievements against this objective during the reporting year included:

- ▶ Streamlining a range of facilities management processes.
- ▶ Reviewing and procuring all contracts relating to venue facilities such as cleaning, maintenance, security and technical contracts.
- ▶ Developing a comprehensive preventative maintenance plan.
- ▶ Developing a strategic asset management plan.
- ▶ Minor refurbishment at Downstairs at the Maj in preparation for a new season of cabaret and comedy.
- ▶ Commencing the first stage of an upgrade of essential services at HMT.





Strategic Objective 6: Economic viability

To maintain and enhance our economic viability.

Achievements against this objective during the reporting year included:

- ▶ Identified commercial opportunities for successful programming such as *The Last Confession* in 2014 and Geoffrey Robertson's *Dreaming Too Loud* in May 2015 (both at HMT). These programming opportunities allow PTT to bring in more revenue to support venue improvements. For example:
 - ▶ PTT partnered with Queensland Performing Arts Centre, Tinderbox Productions and others to present *The Last Confession* featuring the well-known English actor David Suchet at HMT in August 2014. The Perth season attracted 13,277 patrons across 18 performances.
- ▶ Established a commercial venture with Fringe World Festival (Artrage) on a new initiative, The Gold Digger, and a comedy festival which ran throughout the Festival. This initiative proved to be a success with 80 performances attracting over 11,000 patrons across a five-week season.
- ▶ Commissioning an Information Communications and Technology (ICT) business review across all IT infrastructure, licensing, support and business applications. At the project's completion PTT venues will achieve greater ICT stability and reliability at a significantly reduced cost.
- ▶ Identifying savings through rationalising positions in the Corporate and Ticketing Services areas and reducing some non-essential expenses.
- ▶ Reducing costs by reviewing and implementing new facilities management processes and staffing efficiencies.



Events with Perth Theatre Trust support

Date	Event/show	Producer	Performances	Attendance
Perth Concert Hall				
His Majesty's Theatre				
2 - 16 August 2014	The Last Confession	Tinderbox Productions	18	13,277
21 August - 11 October 2014	Cabaret Soiree	Perth Theatre Trust	26	3,299
8 October 2014 - 17 June 2015	Morning Melodies	Perth Theatre Trust	4	3,189
4 October 2014	Stand Up! for Comedy	Beyond Blue	1	1,196
5 May 2015	Geoffrey Robertson - Dreaming Too Loud	Asia Theatricals	1	1,196
State Theatre Centre of WA				
23 - 26 July 2014	Henry V	Bell Shakespeare	5	2,722
30 - 31 July 2014	Patyegarang	Bangarra Dance Theatre	2	1,141
31 October - 19 December 2014	Courtyard Club	RTRFM and Perth Theatre Trust	9	3,100
28 - 29 November 2014	STRUT Dance Workshops	STRUT Dance Company	5	298
23 January - 21 February 2015	The Gold Digger	Fringe Festival	80	11,092
3 - 7 March 2015	Black Diggers	Queensland Theatre Company and Sydney Festival	7	3,791
24 - 27 June 2015	Be Your Self	Australian Dance Theatre	4	1,473
4 - 20 June 2015	The Song Was Wrong	Perth Theatre Company	17	1,381
Albany Entertainment Centre				
12 July 2014	The 13-Storey Treehouse	CDP Theatre Producers Pty Ltd	2	840
19 July 2014	Henry V	Bell Shakespeare	1	451
11 September 2014	Lior - Scattered Reflections Tour	Albany Entertainment Centre in association with RAZ Music	1	243
26 September 2014	Rhonda Burchmore - Sophisticated Ladies of Jazz	Albany Entertainment Centre in Association with Star Billing	1	243
11 October 2014	Food	Force Majeure & Belvoir	1	187
25 October 2014	"S"	Circa	1	317
22 April 2015	Cal Wilson & Claire Hooper	Albany Entertainment Centre, Bunbury Regional Entertainment Centre and Mandurah Performing Arts Centre in association with Token Events	1	264
24 April 2015	Telecast of Black Diggers	Queensland Theatre Company & Sydney Festival	1	128
2 May 2015	The 26-Storey Treehouse	CDP Theatre Producers Pty Ltd	2	588
16 May 2015	360 Allstar	Onyx Productions	1	603
11 June 2015	The One Day of the Year	HIT Productions Pty Ltd	1	157
12 June 2015	Public Reading of Lighthouse Girl	Black Swan State Theatre Company	1	120
Subiaco Arts Centre				
11 - 15 November 2014	Cis and Barbiche	Agelink Theatre Inc	5	540
3 - 27 June 2015	Independent Theatre Festival	Lockwood Productions, Tomás Ford, Ellandar Productions, Ludicrous Displays, Happy Dagger Theatre	16	1,419
Total			214	53,255

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.

	2014 - 2015 Performances	2014 - 2015 %	2013 - 2014 Performances	2013 - 2014 %	2012 - 2013 Performances	2012 - 2013 %
Ballet/Dance	114	9%	115	10%	105	9%
Children's Performances	96	8%	136	12%	105	9%
Classical Music	52	4%	108	10%	99	9%
Comedy/Music Comedy	203	17%	107	10%	50	4%
Concerts - Rock/Pop/Jazz/Folk	89	7%	86	8%	117	10%
Conferences/Meetings	60	5%	65	6%	43	4%
Dance Schools	4	0%	4	0%	6	1%
Drama (plays)	431	36%	335	30%	435	38%
Musicals	25	2%	38	3%	70	6%
Opera	29	2%	23	2%	28	2%
Other	78	7%	65	6%	50	4%
Religious Meetings	-	0%	1	0%	-	0%
School Performances	14	1%	12	1%	13	1%
Speech/Graduation Nights	22	2%	24	2%	23	2%
Subiaco Community Concerts	2	0%	2	0%	2	0%
Total	1,219	100%	1,121	100%	1,146	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.

A wide-angle photograph of a grand theater interior. The ceiling is a large, circular dome with a complex, ornate design featuring a central sunburst motif in red and gold, surrounded by concentric rings of decorative elements. The walls are painted a deep red, and the stage is framed by a large, arched opening with heavy red curtains. The seating area is filled with rows of dark blue seats, and the overall atmosphere is one of classic elegance and grandeur.

VENUE MANAGEMENT REPORTS

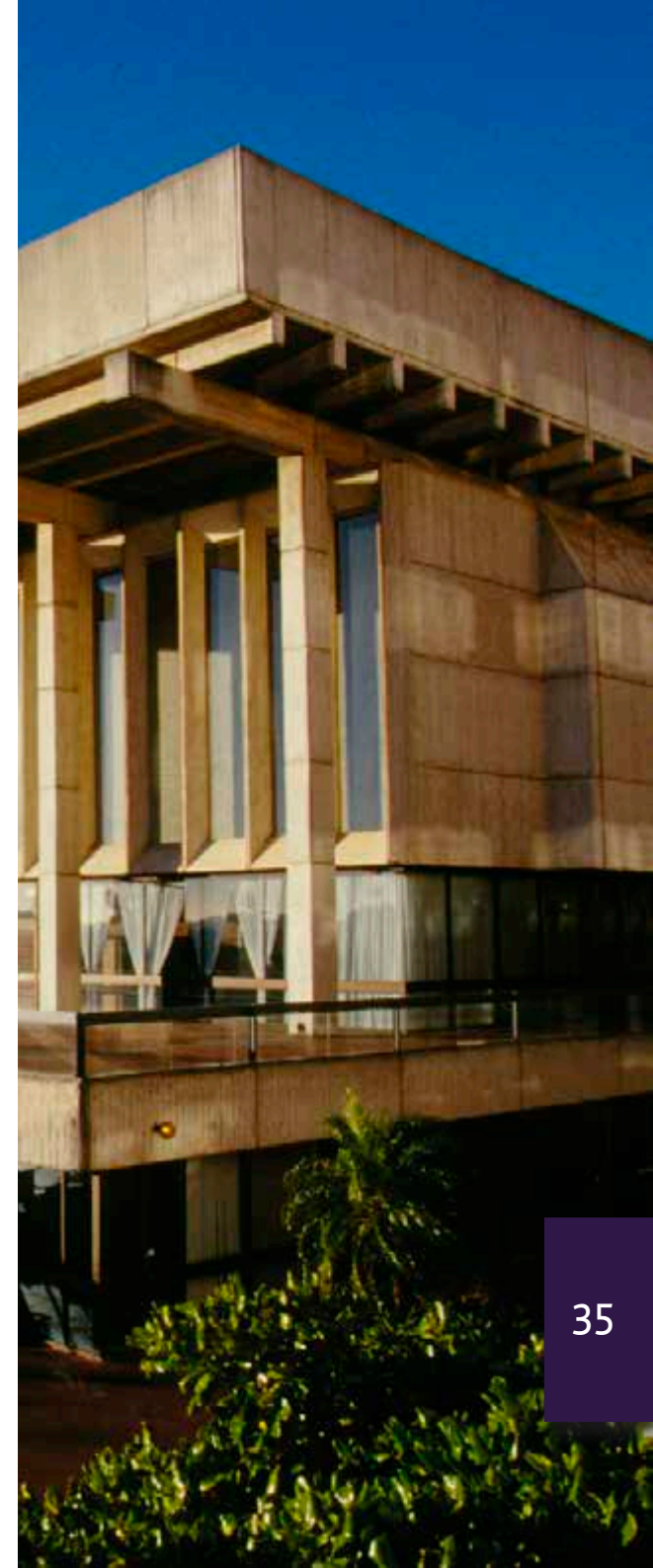
Perth Concert Hall

Statistics are only until 31 December 2014

Main Spaces Usage	2014-2015		2013-2014	
	Performances	Attendance	Events	Attendance
Main Auditorium	82	107,522	159	195,140
Wardle Room	7	1,510	7	1,949
Galleries and Other Spaces	9	6,999	4	2,700
Total	98	116,031	170	199,789

Main Auditorium	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity	2013-2014 Total Performances	2013-2014 Total Attendance	% Capacity
Ballet/Dance	1	658	38%	6	4,312	42%
Children's Performances	2	2,471	71%	4	6,318	91%
Classical Music	36	47,402	76%	85	104,894	71%
Comedy/Music Comedy	1	1,514	88%	5	7,372	85%
Rock/Pop/Jazz/Folk	13	18,999	85%	27	31,619	68%
Conferences/Meetings	1	540	31%	0	-	0%
Dance Schools	1	1,354	78%	0	-	0%
Theatre	0	-	0%	1	723	42%
Music Theatre	0	-	0%	0	-	0%
Opera	0	-	0%	1	1,612	93%
Other	7	8,307	69%	6	6,395	62%
Religious Meetings	0	-	0%	1	1,200	69%
School Performances	6	7,358	71%	10	12,754	74%
Education/Academic/Graduation Events	14	18,919	78%	13	17,941	80%
Total	82	107,522	76%	159	195,140	71%

Wardle Room	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	7	1,510	7	1,949
Other	0	-	0	-
Galleries and Other Spaces	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	0	-	3	700
Other	9	6,999	1	2,000
F&B Non-Show Related	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
PCH	28	5,165	67	5,436





HIS MAJESTY'S THEATRE

His Majesty's Theatre

Main Spaces Usage	2014-2015		2013-2014	
	Performances	Attendance	Events	Attendance
Main Auditorium	112	97,389	151	117,376
Downstairs at the Maj	64	7,325	76	5,571
Dress Circle & Other	0	-	-	-
Total	176	104,714	227	122,947

Main Auditorium	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity	2013-2014 Total Performances	2013-2014 Total Attendance	% Capacity
Ballet/Dance	59	50,624	72%	66	56,727	69%
Children's Performances	0	-	0%	0	-	0%
Classical Music	0	-	0%	0	-	0%
Comedy/Music Comedy	12	10,577	73%	5	5,026	81%
Rock/Pop/Jazz/Folk	0	-	0%	0	-	0%
Conferences/Meetings	0	-	0%	1	400	32%
Dance Schools	0	-	0%	0	-	0%
Theatre	18	13,277	61%	53	31,391	48%
Music Theatre	2	1,662	69%	8	5,805	58%
Opera	18	17,766	82%	16	16,042	81%
Other	1	1,196	100%	0	-	0%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	0	-	0%
Education/Academic/Graduation Events	2	2,287	95%	2	1,985	80%
Total	112	97,389	72%	151	117,376	63%

Downstairs at the Maj	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	64	7,325	76	5,571
Other	0	-	0	-
Dress Circle Bar & Foyer	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	0	-	0	-
Other	0	-	0	-
F&B Non-Show Related	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
HMT	29	1,691	32	2,767





STATE THEATRE CENTRE

State Theatre Centre of WA

Main Spaces Usage	2014-2015		2013-2014	
	Performances	Attendance	Events	Attendance
Heath Ledger Theatre	260	112,592	220	96,652
Studio Underground	173	26,214	142	22,719
Courtyard	138	23,360	5	4,260
Rehearsal Room 2	37	1,687	24	1,213
The Gallery	8	320	11	357
Total	616	164,173	402	125,201

Heath Ledger Theatre	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity	2013-2014 Total Performances	2013-2014 Total Attendance	% Capacity
Ballet/Dance	14	6,475	80%	20	8,166	71%
Children's Performances	42	18,686	77%	47	21,258	79%
Classical Music	0	-	0%	0	-	0%
Comedy/Music Comedy	9	4,745	92%	0	-	0%
Rock/Pop/Jazz/Folk	0	-	0%	2	425	37%
Conferences/Meetings	3	1,521	88%	9	2,120	41%
Dance Schools	0	-	0%	0	-	0%
Theatre	163	68,529	73%	117	53,786	80%
Music Theatre	0	-	0%	0	-	0%
Opera	3	901	52%	0	-	0%
Other	25	11,160	78%	22	9,952	79%
Religious Meetings	0	-	0%	0	-	0%
School Performances	1	575	100%	0	-	0%
Education/Academic/Graduation	0	-	0%	3	945	55%
Total	260	112,592	75%	220	96,652	76%

Studio Underground	2014- 2015 Total Performances	2014- 2015 Total Attendance	% Capacity	2013- 2014 Total Performances	2013- 2014 Total Attendance	% Capacity
Ballet/Dance	23	2,347	41%	13	2,594	85%
Children's Performances	1	246	98%	0	-	0%
Classical Music	1	86	34%	0	-	0%
Comedy/Music Comedy	0	-	0%	0	-	0%
Rock/Pop/Jazz/Folk	1	225	90%	10	1,499	64%
Conferences/Meetings	3	474	63%	8	931	50%
Dance Schools	0	-	0%	0	-	0%
Theatre	127	20,598	65%	92	13,011	60%
Music Theatre	0	-	0%	0	-	0%
Opera	8	1,124	56%	0	-	0%
Other	8	1,015	51%	18	4,454	99%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	0	-	0%
Education/Academic/Graduation Events	1	99	40%	1	230	98%
Total	173	26,214	61%	142	22,719	68%

Courtyard	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	135	21,692	5	4,260
Other	3	1,668	0	-

Rehearsal Room 2	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	33	1,087	18	911
Other	4	600	6	302

The Gallery	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	0	-	10	327
Other	8	320	1	30

F&B Non-Show Related	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
STCWA	50	5,983	112	12,413





ALBANY ENTERTAINMENT
CENTRE

Albany Entertainment Centre

Main Spaces Usage	2014-2015		2013-2014	
	Performances	Attendance	Events	Attendance
Princess Royal Theatre	95	35,126	83	31,429
Kalyenup Studio	39	2,432	41	3,178
Harbourside Foyer	29	1,703	25	1,552
Total	163	39,261	149	36,159

Princess Royal Theatre	2014- 2015 Total Performances	2014- 2015 Total Attendance	% Capacity	2013- 2014 Total Performances	2013- 2014 Total Attendance	% Capacity
Ballet/Dance	7	2,763	64%	6	2,724	73%
Children's Performances	8	2,967	60%	3	947	51%
Classical Music	15	3,387	36%	18	4,614	41%
Comedy/Music Comedy	7	3,230	74%	3	882	48%
Rock/Pop/Jazz/Folk	34	14,919	71%	22	10,166	75%
Conferences/Meetings	6	1,363	37%	4	852	34%
Dance Schools	3	1,729	93%	2	1,180	95%
Theatre	6	1,391	37%	5	1,907	62%
Music Theatre	1	379	61%	6	3,190	86%
Opera	0	-	0%	5	1,654	54%
Other	4	1,837	74%	4	2,004	81%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	2	450	36%
Education/Academic/Graduation Events	4	1,161	47%	3	859	46%
Total	95	35,126	60%	83	31,429	61%

Kalyenup Studio	2014- 2015 Total Performances	2014- 2015 Total Attendance	% Capacity	2013- 2014 Total Performances	2013- 2014 Total Attendance	% Capacity
Ballet/Dance	0	-	0%	2	226	57%
Children's Performances	0	-	0%	0	-	0%
Classical Music	0	-	0%	0	-	0%
Comedy/Music Comedy	0	-	0%	2	251	63%
Rock/Pop/Jazz/Folk	11	306	14%	2	246	62%
Conferences/Meetings	24	1,625	34%	24	1,438	30%
Dance Schools	0	-	0%	0	-	0%
Theatre	1	120	60%	0	-	0%
Music Theatre	0	-	0%	2	193	48%
Opera	0	-	0%	0	-	0%
Other	2	236	59%	9	824	46%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	0	-	0%
Education/Academic/Graduation Events	1	145	73%	0	-	0%
Total	39	2,432	31%	41	3,178	39%

Harbourside Foyer	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	7	877	14	1,350
Other	22	826	11	202

F&B Non-Show Related	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
AEC	56	3,586	72	4,431





SUBIACO ARTS CENTRE

Subiaco Arts Centre

Main Spaces Usage	2014-2015		2013-2014	
	Events	Attendance	Events	Attendance
Main Auditorium	74	14,804	107	23,803
The Studio	90	6,821	64	4,033
Amphitheatre	2	400	2	280
Total	166	22,025	173	28,116

Main Auditorium	2014-2015 Total Performances	2014-2015 Total Attendance	% Capacity	2013-2014 Total Performances	2013-2014 Total Attendance	% Capacity
Ballet/Dance	0	-	0%	0	-	0%
Children's Performances	25	4,172	55%	16	2,680	55%
Classical Music	0	-	0%	1	222	73%
Comedy/Music Comedy	11	2,856	85%	63	15,321	80%
Rock/Pop/Jazz/Folk	10	2,353	77%	10	2,099	69%
Conferences/Meetings	1	250	82%	1	301	99%
Dance Schools	0	-	0%	2	455	75%
Theatre	7	1,182	55%	2	322	53%
Music Theatre	14	2,953	69%	11	2,101	63%
Opera	0	-	0%	1	302	99%
Other	0	-	0%	0	-	0%
Religious Meetings	0	-	0%	0	-	0%
School Performances	6	1,038	57%	0	-	0%
Education/Academic/Graduation Events	0	-	0%	0	-	0%
Subiaco Community Concerts	0	-	0%			0%
Total	74	14,804	66%	107	23,803	73%

The Studio at Subiaco Arts Centre	2014- 2015 Total Performances	2014- 2015 Total Attendance	% Capacity	2013- 2014 Total Performances	2013- 2014 Total Attendance	% Capacity
Ballet/Dance	0	-	0%	0	-	0%
Children's Performances	11	497	38%	13	1,186	76%
Classical Music	0	-	0%	0	-	0%
Comedy/Music Comedy	22	1,671	64%	0	-	0%
Rock/Pop/Jazz/Folk	0	-	0%	0	-	0%
Conferences/Meetings	0	-	0%	0	-	0%
Dance Schools	0	-	0%	0	-	0%
Theatre	42	3,301	66%	51	2,847	47%
Music Theatre	8	744	78%	0	-	0%
Opera	0	-	0%	0	-	0%
Other	7	608	73%	0	-	0%
Religious Meetings	0	-	0%	0	-	0%
School Performances	0	-	0%	0	-	0%
Education/Academic/Graduation Events	0	-	0%	0	-	0%
Subiaco Community Concerts	0	-	0%			0%
Total	90	6,821	64%	64	4,033	53%

Amphitheatre	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
Performance	2	400	2	280
Other	0	0	0	0
F&B Non-Show Related	2014-2015 Usage	2014-2015 Attendances	2013-2014 Attendances	2012-2013 Attendances
SAC	8	229	25	591





Significant issues impacting the agency

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

- ▶ Upgrade of essential services at HMT scheduled across 2015 and 2016. Closure of the main stage over four months will have financial implications for the Trust.
- ▶ Funding for large capital works at venues.
- ▶ Future management model and funding of AEC.

Disclosures and legal compliance

Ministerial directives

The Perth Theatre Trust received a Ministerial Directive from the Minister for Culture and the Arts, Hon. John Day MLA dated 23 July 2014.

As the Board was without a quorum for matters relating to the management of the Perth Concert Hall, the Minister under Section 15 of the Perth Theatre Trust Act 1979 was required to direct the Trust to prepare an Expression of Interest communicating to the City of Perth the State Government's interest in continuing to have a role in the management of the Perth Concert Hall.

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

Stage one of an upgrade of essential services at HMT.

Governance disclosures

Conflicts of interest: In 2014 Crs Adamos, Butler and Davidson declined to take part in discussions regarding the Expression of Interest for the future management of the Perth Concert Hall.

Employee information

The following table summarises the Perth Theatre Trust employee demographics at 30 June 2015.

Employment Type	Women	Men
Permanent Full-time	3	3
Permanent Part-time	3	0
Fixed Term Full-time	24	20
Fixed Term Part-time	8	1
Casual paid	62	51
Other paid	0	1
Total	100	76



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	\$4,120.00
	Rob Butler	Per meeting	September 2003 - present	\$3,170.00
	Janet Davidson	Per meeting	January 2008 - present	\$4,300.00
	Max Kay	Per meeting	April 2011 - present	\$7,750.00
	Morgan Solomon	Per meeting	January 2013 - present	\$4,440.00
	Michelle Tremain	Per meeting	August 2014 - present	\$3,220.00
Total				\$27,000.00

Other legal requirements

Expenditure on advertising, market research, polling and direct mail

Expenditure	Total	Expenditure	Amount
Advertising agencies	\$49,513	Adcorp	\$11,822
		Albany Chamber of Commerce & Industry	\$100
		Andrew J Adams T/A Andimaps	\$664
		Carat Australia Media Services Pty Ltd	\$36,927
Market research organisations	Nil	Nil	Nil
Polling organisations	Nil	Nil	Nil
Direct mailing organisations	\$2,973	Lasermail	\$2,973
Media advertising agencies	\$1,100	RTRFM	\$660
		Capital Community radio	\$440
Total			\$53,986

Disability access and inclusion plan outcomes

In line with the *Perth Theatre Trust Disability Access and Inclusion Plan 2013-17* the following outcomes were achieved:

- ▶ The companion card relationship was embedded within our marketing systems.
- ▶ All publications relating to access at the venues are being reviewed and updated.

The following initiatives continued in the venues:

- ▶ Audio description services.
- ▶ Reduced or removed venue hire for organisations providing a special performance aimed at those living with disability.
- ▶ PTT partnership with Disability in the Arts, Disadvantage in the Arts WA (DADAA WA) to enable disabled performers and their carers better access to Trust venues and to encourage their engagement with PTT theatres as both creative staff and audience members.



Compliance with Public Sector Standards and ethical codes

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 2014-2015 financial year, PTT recorded:

- ▶ No breaches of the Public Sector Standards in Human Resource Management.
- ▶ No breaches of the Public Sector Code of Ethics or the Culture and Arts Portfolio Code of Conduct.
- ▶ No incidences of misconduct requiring investigation.
- ▶ No Public Interest Disclosures lodged.

Promoting awareness of Public Sector Standards and ethical codes

PTT works to ensure that all staff 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. The return of venues management to PTT provided an opportunity for staff training and organisational policies to be reviewed and reintroduced to the workforce.

In the 2014-2015 PTT promoted ethical business practice by the following:

- ▶ Assisted in the review of the Culture and Arts Portfolio Code of Conduct to ensure compliance with public sector frameworks and best contemporary practice.
- ▶ Communicated and educated staff on the new Code of Conduct.
- ▶ Developed an induction strategy targeting all staff.
- ▶ Introduced public sector ethics and integrity induction modules for all staff including the offer of online Accountable and Ethical Decision Making training.
- ▶ Developed ongoing targeted training for managers.
- ▶ Provided staff access to Culture and Arts Portfolio policies and key contacts.
- ▶ Reviewed quarterly information on staff completion of ethics based compliance activities to guide the organisation's direction.
- ▶ Inducted staff to provide them with a knowledge of the minimum legislative requirements for working within the public sector in additional areas including, but not limited to; recordkeeping, procurement, freedom of information, public interest disclosure and disability access.

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.

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

Direction for the PTT substantive equality commitment sits under the Culture and Arts Portfolio Substantive Equality Reference Group. This group meets on a quarterly basis to discuss and plan how the Culture and Arts Portfolio can improve the access of customers from different racial, religious and cultural groups to the services that are provided by the Portfolio.

In the 2014-2015 financial year, the Substantive Equality Reference Group successfully implemented the following:

- ▶ The development of a Substantive Equality policy which covers all agencies across the Culture and Arts Portfolio.
- ▶ Implementation of a communication and education strategy of the Substantive Equality Policy.
- ▶ Development of an implementation plan for Substantive Equality frameworks across the Culture and Arts Portfolio.
- ▶ Incorporation of Substantive Equality education into the whole of staff induction.

Occupational safety, health and injury management

PTT has an ongoing commitment to the highest levels of workplace health and safety. This is demonstrated through continual investment and implementation of a supportive safety culture dedicated to eliminating injuries and ill health to its staff, hirers, contractors, volunteers, visitors and patrons. The Trust meets its workplace obligations through the use of risk management and incident reporting tools and management consultation processes. A safety and health management system is in the process of being implemented. All staff, hirers, contractors and volunteers are made aware of relevant policies and procedures through the venue and online safety inductions.

The proposed workplace safety and health policies and procedures of PTT have been designed against and are compliant with the *Occupational Safety and Health Act 1984* (WA), and the *Workers Compensation Act 1981* (WA). These policies and procedures outline PTT's intent to ensure that a robust safety culture continues, promoting employee engagement and a platform that continually identifies and highlights all workplace risks. Return to work plans are developed where required for all injured workers.

The Trust was assessed against the WorkSafe Plan in 2012, and intends to complete an AS4801 audit in the 2015-2016 financial year. Additionally, the Trust will recognise all expected consultation mechanisms and ensure that the continuation of formally elected representatives is implemented across all of its performance venues.

Health and safety within PTT is an ongoing responsibility of each individual, and all individuals are expected to play their part in the meaningful contribution of a safe workplace. The Trust will continue to reassess and build on this core value, and its current systems and processes through ongoing consultation, strategy development, policy commitment, risk identification, training and performance monitoring and review.



OSH performance indicator table

Measure	Actual results		Results against Target	
	2012-2013	2014-2015	Target	Comment on result
Number of Fatalities	0	0	0	No change
Lost time injury and/or disease incidence rate	0	1.14	0	
Lost time injury and/or disease severity rate	0	0	0	
Percentage of injured workers returned work:				
(i) Within 13 weeks	N/A	100%	80%	
(ii) Within 26 weeks	N/A	77%	80%	
Percentage of managers trained in occupational safety, health and injury management responsibilities	50%	77%	80%	Workers compensation and injury management training was delivered to managers and supervisors in 2015.

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 2015, 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.

Trustee's 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 Trustee, 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 2015 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 2015.

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.

Trustee's 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 2015.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Perth Theatre Trust for the year ended 30 June 2015.

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

Trustee's 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 2015.

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 2015 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
25 August 2015


Certification of performance indicators

For the year ended 30 June 2015

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 2015.



Trustee
20 August 2015


Trustee
20 August 2015



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 2014-2015 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

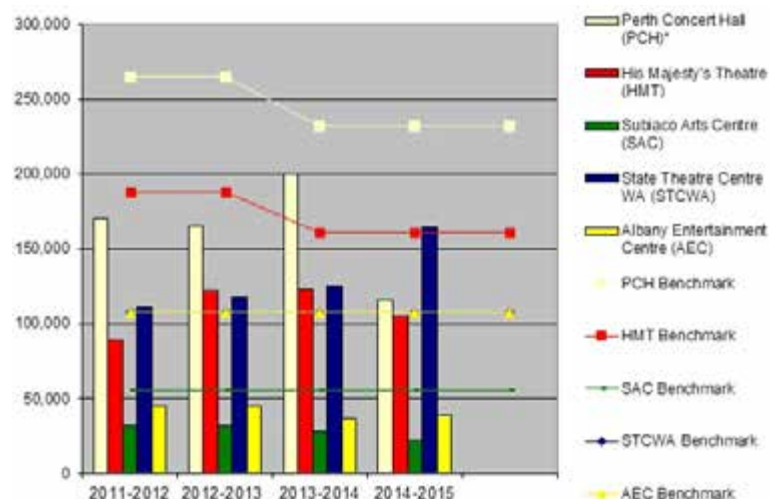
Indicator 1 – Venue management services

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)



*The data for Perth Concert Hall is only for the first six months to 31 December 2014. As from the 1st of January 2015, PTT ceased to directly manage this venue.





Chart 2: Public use of major venues

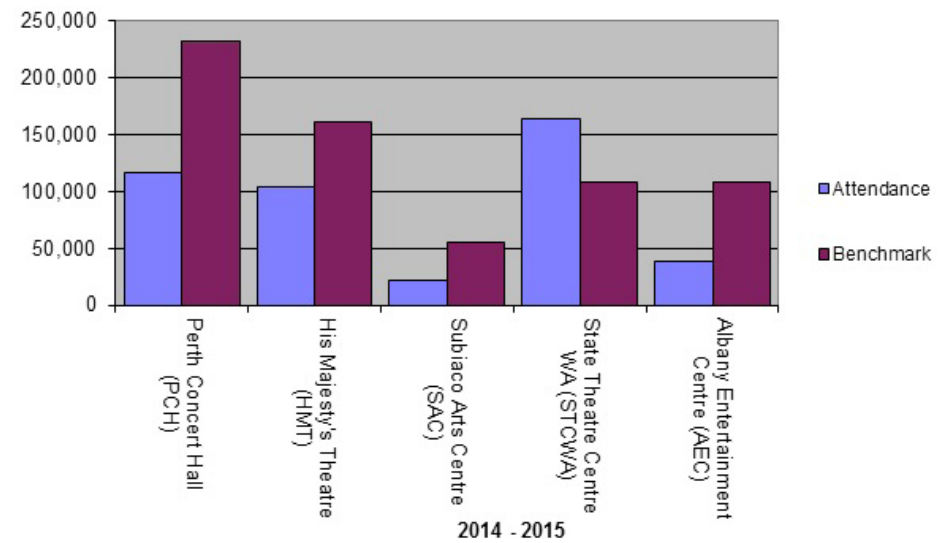
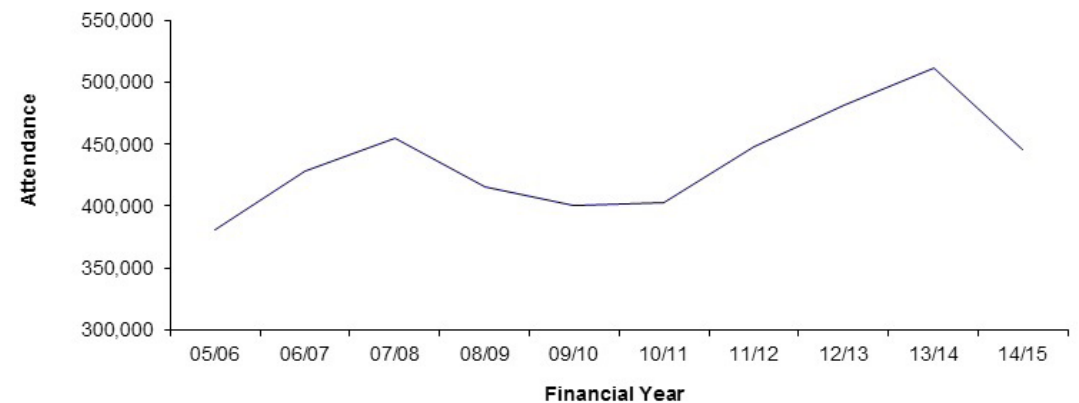


Chart 3: Participation Rates at Perth Theatre Trust Venues



Public use of major venues

Usage Trend

The number of performances/events across venues was 1,219 in 2014-2015. This is slightly higher than the 1,121 events held last year.

Note 1: Participation Rates at Perth Theatre Trust Venues

Overall, the attendance rate at Trust venues was 446,204 – a 13% decrease from the attendances recorded last year of 512,212. The decrease in attendances is attributed to the attendances at Perth Concert Hall for January - June 2015 being excluded from these statistics.

Efficiency indicators

Key Performance Indicators overview

The number of events across venues was 1,219 in 2014-2015. This is slightly higher than the previous year's performance numbers, but an increase on the estimated events of 902 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 Actual	2014-2015 Target	2014-2015 Actual
Number of performances at Trust venues	883	1,138	1,146	1,121	902	1,219
Average cost per performance	\$28,979	\$26,248	\$24,743	\$24,927	\$26,667	\$19,420

Note

The increase in the actual performances in 2014-2015 when compared with the target was as a result of a significant increase in performances held in secondary spaces at the State Theatre Centre which were not initially budgeted for.

Certification of financial statements

For the year ended 30 June 2015

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 2015 and the financial position as at 30 June 2015.

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 2015



Chairman of Perth Theatre Trust
21 August 2015



Member of Perth Theatre Trust
21 August 2015

A dramatic photograph of two men in business attire. The man in the background wears a black shirt and a patterned tie, with a bright red strap over his shoulder. The man in the foreground wears a white shirt, a grey vest, and a red tie. Both men have serious, intense expressions. Numerous US dollar bills are shown in motion, falling or floating around them against a dark, textured background. A semi-transparent dark purple banner is overlaid across the middle of the image, containing the title text.

Financial statements

Statement of Comprehensive Income

For the year ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Cost of services			
Expenses			
Employee benefits expense	7	11,665	14,158
Supplies and services	8	4,280	4,875
Depreciation and amortisation expense	9	3,892	4,195
Accommodation expenses	10	2,494	2,987
Cost of sales	14	838	1,230
Loss on disposal of non-current assets	18	14	140
Grants and Subsidies	12	250	0
Other expenses	11	241	321
Total cost of services		23,674	27,906
Income			
Revenue			
User charges and fees	13	6,443	7,331
Sales	14	3,129	4,988
Sponsorship	15	114	415
Interest revenue	16	124	112
Other revenue	17	2,193	2,021
Total Revenue		12,003	14,867
Gains			
Gain on disposal of non-current assets		0	0
Total Gains	18	0	0
Total income other than Income from State Government		12,003	14,867
Net cost of services		11,671	13,039
Income from State Government	19		
Service appropriation		13,523	14,493
State grants and subsidies		1,348	755
Assets assumed/(transferred) in	5, 19	0	(145)
Services received free of charge	16	16	(2)
Royalties for Regions Fund		690	0
Total income from State Government		15,577	15,101
Surplus/(deficit) for the period		3,906	2,062
Other comprehensive income			
Items not classified subsequently to profit or loss			
Changes in asset revaluation surplus		(1,053)	(300)
Total other comprehensive income		(1,053)	(300)
Total comprehensive income for the period		2,853	1,762

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

Statement of Financial Position

As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
Assets			
Current assets			
Cash and cash equivalents	33	1,716	1,996
Restricted cash and cash equivalents	20, 33	2,718	3,251
Inventories	21	17	124
Receivables	22	978	474
Other current assets	24	613	822
Total current assets		6,042	6,667
Non-current assets			
Restricted cash and cash equivalents	20, 33	0	84
Amounts receivable for services	23	26,390	21,559
Property, plant and equipment	25	204,268	207,852
Intangible assets	27	45	129
Total non-current assets		230,703	229,624
Total assets		236,745	236,291
Liabilities			
Current liabilities			
Payables	28	3	1,336
Funds held in trust	29	2,530	3,316
Provisions	30	258	576
Other current liabilities	31	800	681
Total current liabilities		3,591	5,909
Non current liabilities			
Provisions	30	97	178
Total non-current liabilities		97	178
Total liabilities		3,688	6,087
Net assets		233,057	230,204
Equity	32		
Contributed equity		193,659	193,659
Reserves		10,897	11,950
Accumulated surplus		28,501	24,595
Total equity		233,057	230,204

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 2015

	Note	Contributed equity \$000	Reserves \$000	Accumulated surplus \$000	Total equity \$000
Balance at 1 July 2013	32	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
Distribution 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
Balance at 1 July 2014		193,659	11,950	24,595	230,204
Total comprehensive income for the period		0	(1,053)	3,906	2,853
Transactions with owners in their capacity as owners:					
Capital appropriations		0	0	0	0
Other Contributions by owners		0	0	0	0
Distribution to owners		0	0	0	0
Total		0	(1,053)	3,906	2,853
Balance at 30 June 2015		193,659	10,897	28,501	233,057

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 2015

	Note	2015 \$000	2014 \$000
Cash flows from State Government			
Service appropriation		8,690	10,468
State grants and subsidies		1,348	776
Capital contributions		0	0
Holding account drawdowns		0	0
Royalties for Regions Fund		690	0
27th Pay holding account movement		0	84
Net cash provided by State Government		10,728	11,328
Utilised as follows:			
Cash flows from operating activities			
Payments			
Payments from trust fund		(22,425)	0
Employee benefits		(12,300)	(14,136)
Supplies and services		(6,334)	(7,089)
Accommodation		(2,494)	(3,060)
Grants and subsidies		(250)	0
GST payments on purchases		(707)	(2,097)
GST payments to taxation authority		(494)	(8)
Other payments		0	(353)
Receipts			
Receipts into trust fund		21,659	114
User charges and fees		6,433	7,150
Sale of goods and services		3,129	4,988
Sponsorship		114	415
Interest received		124	112
GST receipts on sales		865	1,392
GST receipts from taxation authority		153	712
Other receipts		2,191	2,038
Net cash provided by/(used in) operating activities	33	(10,336)	(9,822)
Cash flows from investing activities			
Payments			
Purchase of non-current physical assets		(1,289)	(917)
Receipts			
Proceeds from sale of non-current physical assets		0	0
Net cash provided by/(used in) operating activities		(1,289)	(917)
Net increase/(decrease) in cash and cash equivalents		(897)	589
Cash and cash equivalents at the beginning of the period		5,331	4,742
Cash and cash equivalents at the end of period	33	4,434	5,331

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 2015

Note 1. Australian Accounting Standards

General

Perth Theatre Trust's financial statements for the year ended 30 June 2015 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 2015.

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 on a class of assets basis.

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
-------------------------	---------------

(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 9.50% 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.

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.

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 had the following impact in 2014:

(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 19 'Income from State Government'.

(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 20 'Restricted cash and cash equivalents'.

Note 6. Change in venue management

Perth Theatre Trust (PTT) contracted AEG Ogden (Perth) Pty Ltd to manage the operation of the State's flagship performing arts venues vested in PTT – State Theatre Centre of WA, His Majesty's Theatre, Perth Concert Hall (PCH), Subiaco Arts Centre and Albany Entertainment Centre. The management agreement commenced on 2 March 1999 and expired on 31 December 2014.

The expiry of the contract with AEG Ogden (Perth) provided the opportunity to review the Trust's business and to ensure any future venue management arrangements reflected the current and future needs of the State Government, performing arts sector and the public.

A new venue management model was recommended by the PTT Board and approved by Government in 2014. This saw much of the venue management business returned for direct management by PTT; with food and beverage services outsourced with the exception of the food and beverage operations at Albany Entertainment Centre. From 1 January 2015, the management of the Perth Concert Hall was taken on by the West Australian Symphony Orchestra, through WA Venue and Events Pty Ltd. PTT leases the venue from the City of Perth. The lease expires on 31 December 2015.

Initial application of an Australian Accounting Standard

Perth Theatre Trust has applied the following Australian Accounting Standards effective, or adopted, for annual reporting periods beginning on or after 1 July 2014 that impacted on Perth Theatre Trust.

Int 21	Levies	This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for Perth Theatre Trust at reporting date.
AASB 10	Consolidated Financial Statements	<p>This Standard, issued in August 2011, supersedes requirements under AASB 127 Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments.</p> <p>Mandatory application was deferred by one year 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 Perth Theatre Trust Inc as it doesn't impact accounting for related bodies and Perth Theatre Trust has no interests in other entities.</p> <p>The adoption of the new Standard has no financial impact for Perth Theatre Trust as it does not impact accounting for related bodies and Perth Theatre Trust has no interest in other entities.</p>
AASB 11	Joint Arrangements	<p>This Standard, issued in August 2011, supersedes AASB 131 <i>Interests in Joint Ventures</i>, introduces 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>There is no financial impact for Perth Theatre Trust as the new standard continues to require the recognition of Perth Theatre Trust share of assets and share of liabilities for the unincorporated joint operation.</p>

AASB 12	Disclosure of Interests in Other Entities	This Standard, issued in August 2011, supersedes disclosure requirements under AASB 127 Consolidated and Separate Financial Statements, AASB 128 <i>Investments in Associates and Joint Ventures</i> and AASB 131 <i>Interests in Joint Ventures</i> . There is no financial impact.
AASB 127	Separate Financial Statements	This Standard, issued in August 2011, supersedes AASB 127 Consolidated and Separate Financial Statements, removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. There is no financial impact.
AASB 128	Investments in Associates and Joint Ventures	<p>This Standard supersedes AASB 128 Investments in Associates, introducing a number of clarifications for the accounting treatments of changed ownership interest.</p> <p>The adoption of the new Standard has no financial impact for Perth Theatre Trust as it does not hold investments in associates and joint ventures.</p>
AASB 1031	Materiality	This Standard supersedes AASB 1031 (February 2010), removing Australian guidance on materiality not available in IFRSs and refers to guidance on materiality in other Australian pronouncements. There is no financial impact.
AASB 1055	Budgetary Reporting	This Standard requires specific budgetary disclosures in the general purpose financial statements of not-for-profit entities within the General Government Sector. 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.

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]
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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*. There is no financial impact for Perth Theatre Trust.

AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]
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This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.

AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
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This Standard introduces editorial and disclosure changes. There is no financial impact.

AASB 2013-4	Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]
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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. Perth Theatre Trust does not routinely enter into derivatives or hedges, therefore there is no financial impact.

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 in determining 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>
AASB 2013-9	<p>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</p> <p>Part B of 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. It has no financial impact.</p>
AASB 2014-1	<p>Amendments to Australian Accounting Standards</p> <p>Part A of this Standard consists primarily of clarifications to Accounting Standards and has no financial impact for Perth Theatre Trust.</p> <p>Part B of this Standard has no financial impact as Perth Theatre Trust contributes to schemes that are either defined contribution plans, or deemed to be defined contribution plans.</p> <p>Part C of this Standard has no financial impact as it removes references to AASB 1031 <i>Materiality</i> from a number of Accounting Standards.</p>
AASB 2015-7	<p>Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities</p> <p>This Standard relieves not-for-profit public sector entities from the reporting burden associated with various disclosures required by AASB 13 for assets within the scope of AASB 116 that are held primarily for their current service potential rather than to generate future net cash inflows. It has no financial impact.</p>

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 or by an exemption from T1 1101*. 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 the following Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 9	Financial Instruments	1 Jan 2018
<p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>. Perth Theatre Trust has not yet determined the application of the potential impact of the Standard.</p>		
AASB 15	Revenue from Contracts with Customers	1 Jan 2017
<p>This Standard establishes the principles that Perth Theatre Trust shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.</p>		
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]	1 Jan 2018
<p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.</p>		

AASB 2013-9	Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments	1 Jan 2015
	Part C of this omnibus Standard defers the application of AASB 9 to 1 January 2017. The application date of AASB 9 was subsequently deferred to 1 January 2018 by AASB 2014-1. Perth Theatre Trust has not yet determined the application or the potential impact of AASB 9.	
AASB 2014-1	Amendments to Australian Accounting Standards	1 Jan 2015
	Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed by Perth Theatre Trust to determine the application or potential impact of the Standard.	
AASB 2014-3	Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11]	1 Jan 2016
	Perth Theatre Trust establishes Joint Operations in pursuit of its objectives and does not routinely acquire interests in Joint Operations. Therefore, there is no financial impact on application of the Standard.	
AASB 2014-4	Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	1 Jan 2016
	The adoption of this Standard has no financial impact for Perth Theatre Trust as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.	
AASB 2014-4	Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	1 Jan 2016
	The adoption of this Standard has no financial impact for Perth Theatre Trust as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.	

AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15	1 Jan 2017
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 Jan 2018
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	
AASB 2014-8	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]	1 Jan 2015
	This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 <i>Financial Instruments</i> (December 2010), arising from the issuance of AASB 9 Financial Instruments in December 2014. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	
AASB 2014-9	Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 & 128]	1 Jan 2016
	This Standard amends AASB 127, and consequentially amends AASB1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. Perth Theatre trust has not yet determined the application of the potential impact of the Standard.	
AASB 2014-10	Amendments to Australian Accounting Standards - Sale of Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]	1 Jan 2016
	This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	

AASB 2015-1	Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]	1 Jan 2016
	These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. Perth Theatre Trust has not yet determined the application or the potential impact of the Standard.	
AASB 2015-2	Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	1 Jan 2016
	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.	
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality	1 July 2015
	This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.	
AASB 2015-6	Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	1 Jul 2016
	The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.	



Note 7. Employee benefits expense

	2015 \$000	2014 \$000
Wages and salaries ^(a)	9,583	11,536
Superannuation - defined contribution plans ^(b)	209	93
Superannuation - other schemes	697	913
Long service leave ^(a)	190	147
Annual leave ^(a)	492	593
Other related expenses	494	876
	11,665	14,158

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

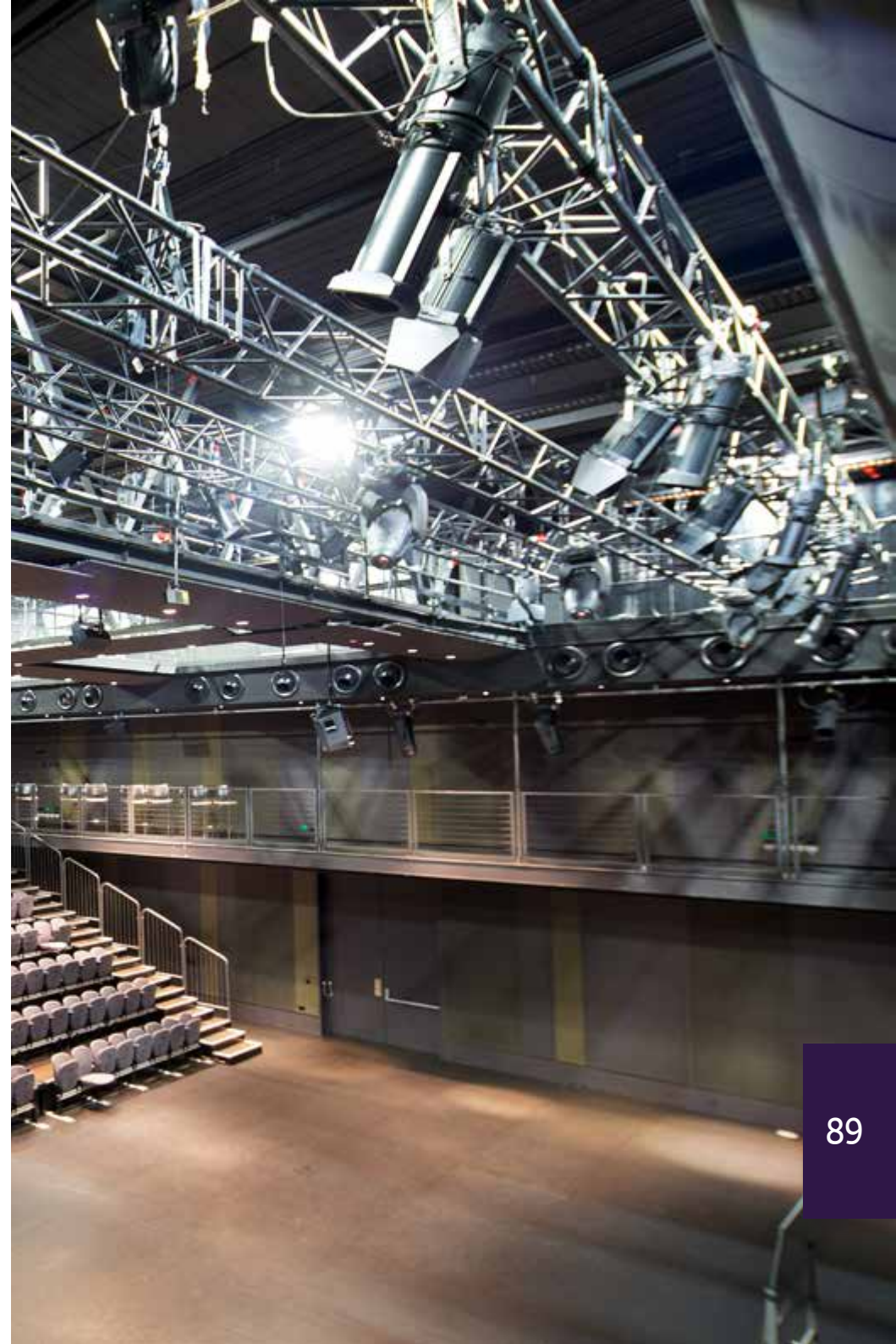
(b) Defined contribution plans include West State, Gold State and GESB Super Schemes.

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

	2015	2014
	\$000	\$000
Communications	335	361
Consultants and contractors	209	316
Consumables	256	247
Advertising and promotion	204	191
Management fees	381	739
Programming	353	692
Equipment purchases	347	163
Insurance premiums	234	251
Lease hire	195	316
Legal fees	162	61
Licences	159	2
Maintenance	753	1,198
Printing	21	14
Bank and credit card charges	12	19
Temporary staff	138	64
Travel	35	79
Entertainment	33	62
Other	453	100
	<u>4,280</u>	<u>4,875</u>



Note 9. Depreciation and amortisation expense

	2015 \$000	2014 \$000
Depreciation		
Buildings	2,643	2,684
Leasehold improvements	202	204
Plant, equipment and vehicles	963	1,125
Total depreciation	3,808	4,013
Amortisation		
Intangible assets	84	182
Total amortisation	84	182
Total depreciation and amortisation	3,892	4,195

Note 10. Accommodation expenses

	2015 \$000	2014 \$000
Repairs and maintenance	548	848
Rent	51	46
Electricity and gas	1,276	1,244
Water	172	188
Cleaning	165	186
Security	175	234
Other	107	241
	2,494	2,987

Note 11. Other expenses

	2015 \$000	2014 \$000
Sponsorship	39	23
Employment on-costs	84	162
Audit Fees	87	30
Doubtful debts expense	0	0
Other	31	106
	241	321

Note 12. Grants and Subsidies

	2015 \$000	2014 \$000
Perth Concert Hall - Operations	250	0
	250	0

Note 13. User charges and fees

	2015 \$000	2014 \$000
Venue hire and related charges	6,443	7,324
BOCS ticketing fees ^(a)	0	7
	6,443	7,331

(a) BOCS ticketing was decommissioned in September 2012

Note 14. Trading profit

	2015	2014
	\$000	\$000
Sales	3,129	4,988
Cost of Sales:		
Opening inventory	(124)	(110)
Purchases	(731)	(1,244)
	(855)	(1,354)
Closing inventory	17	124
Cost of Goods Sold	(838)	(1,230)
Trading profit	2,291	3,758

Note 15. Sponsorship

	2015	2014
	\$000	\$000
Sponsorship	114	415
	114	415

Note 16. Interest revenue

	2015	2014
	\$000	\$000
Bank interest	124	112
	124	112

Note 17. Other revenue

	2015	2014
	\$000	\$000
Grants and subsidies	659	400
Commission	119	57
Recoup of previous years expenditure	99	40
Donations	0	1
Other	57	299
Reinstatement of Assets previously expensed	0	281
Royalties	167	0
Rebates	894	943
Production Investments	198	0
	2,193	2,021

Note 18. Net gain/(loss) on disposal of non-current assets

	2015	2014
	\$000	\$000
Proceeds from disposal of non-current assets		
Plant, equipment and vehicles	0	0
Costs of disposal of non-current assets		
Plant, equipment and vehicles	(14)	(140)
Net gain/(loss)	(14)	(140)

Note 19. Income from State Government

	2015 \$000	2014 \$000
Appropriation received during the year:		
Service appropriation ^(a)	13,523	14,493
	13,523	14,493
State grants and subsidies ^(b)		
Grant payments made by the Department of Culture and Arts for the following projects:		
(i) HMT Fire Systems Upgrade	1,087	0
(ii) Perth Concert Hall Chiller Maintenance	26	390
(iii) State Theatre Equipment	0	115
(iv) Wireless Spectrum Comms Hardware - All Venues	235	0
	1,348	505
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	0	(29)
(ii) Operating expenditure	0	0
(iii) Computer equipment	6	1
(iv) State Solicitors Office	10	25
	16	(2)
Assets transferred from/(to) other State government agencies during the period		
Assets assumed / (transferred)	0	64
Leave Holding Account assumed / (transferred) ^(d)	0	57
27th Pay Holding Account assumed / (transferred) ^(d)	0	84
Leave liabilities (assumed) / transferred ^(d)	0	(350)
	0	(145)
Other Government Departments		
Department of Premier and Cabinet: Grant subsidy for the Royal Concertgebouw Orchestra	0	250
Department of Regional Development: Albany Entertainment Funding (Regional Community Services Fund)	690	0
	15,577	15,101

(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 20. Restricted cash and cash equivalents

	2015	2014
	\$000	\$000
Current		
Ticketing Funds Held in Trust (a)	2,525	3,246
Robert Finley Trust Account (a)	5	5
Accrued salaries suspense account (b)	188	0
	2,718	3,251
Non Current		
Accrued salaries suspense account (b)	0	84
	0	84

- (a) The balance of Restricted cash comprises ticket sales held in trust pending the presentation of events and performances. It also includes 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. The balance has been moved to current as the 27th pay falls in the 2015-16 financial year.

Note 21. Inventories

	2015	2014
	\$000	\$000
Current		
Inventories held for resale:		
Liquor and consumable catering supplies	17	124
	17	124

Note 22. Receivables

	2015	2014
	\$000	\$000
Current		
Receivables	923	373
Allowance for impairment of receivables	0	0
GST receivable	55	101
Total current	978	474
Reconciliation of changes in the allowance for impairment of receivables		
Balance at start of year	0	0
Doubtful debts expense recognised in the statement of comprehensive income	0	0
Amounts written off during the period	0	0
Amounts recovered during the period	0	0
Balance at end of year	0	0

Note 23. Amounts receivable for services

	2015	2014
	\$000	\$000
Non Current	26,390	21,559
	26,390	21,559

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Note 24. Other assets

	2015	2014
	\$000	\$000
Current		
Prepayments	197	489
Accrued income	413	333
Other current assets	3	0
	613	822

Note 25. Property, plant and equipment

	2015 \$000	2014 \$000
Land		
At fair value ^(a)	23,900	23,900
Accumulated impairment losses	0	0
	23,900	23,900
Buildings		
At fair value ^(a)	172,053	175,752
At cost	0	0
Accumulated depreciation	(7)	(9)
Accumulated impairment losses	0	0
	172,046	175,743
Works in progress		
At cost	968	0
	968	0
Leasehold improvements		
At cost	5,223	5,146
Accumulated depreciation	(2,981)	(2,780)
Accumulated impairment losses	0	0
	2,242	2,366
Plant, equipment and vehicles		
At cost	15,520	15,305
Accumulated depreciation	(10,414)	(9,468)
Accumulated impairment losses	0	0
	5,106	5,837
Works of art		
At cost	6	6
Accumulated impairment losses	0	0
	6	6
	204,268	207,852

(a) Land and buildings were revalued as at 1 July 2014 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2015 and recognised at 30 June 2015. In undertaking the revaluation, fair value was determined by reference to market values for land \$23,900,000 (2014: \$23,900,000) 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
2015							
Carrying amount at start of year	23,900	175,743	0	2,366	5,837	6	207,852
Reinstated assets previously expensed	0	0	0	0	0	0	0
Additions	0	0	968	78	279	0	1,325
Transfers	0	0	0	0	(33)	0	(33)
Other disposals	0	0	0	0	(14)	0	(14)
Revaluation increments / (decrements)	0	(1,053)	0	0	0	0	(1,053)
Depreciation	0	(2,644)	0	(202)	(963)	0	(3,809)
Carrying amount at end of year	23,900	172,046	968	2,242	5,106	6	204,268
2014							
Carrying amount at start of year	24,200	178,423	0	2,685	6,011	6	211,325
Additions	0	4	0	0	250	0	254
Adjustment from previous financial year	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



Note 26. Fair value measurements

Assets Measured at fair value:

	Level 1	Level 2	Level 3	Fair value at end of period
	\$000	\$000	\$000	\$000
2015				
Land (Note 25)	0	0	23,900	23,900
Buildings (Note 25)	0	0	172,046	172,046
	0	0	195,946	195,946

Assets Measured at fair value:

	Level 1	Level 2	Level 3	Fair value at end of period
	\$000	\$000	\$000	\$000
2014				
Land (Note 25)	0	0	23,900	23,900
Buildings (Note 25)	0	0	175,743	175,743
	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)

	2015	Land \$000	Buildings \$000
Fair value at start of period	23,900	175,743	
Additions	0	0	
Revaluation increments/(decrements) recognised in Profit or Loss	0	0	
Revaluation increments/(decrements) recognised in Other Comprehensive Income	0	(1,053)	
Transfers (from/(to) Level 2)	0	0	
Disposals	0	0	
Depreciation Expense	0	(2,644)	
Fair value at end of period	23,900	172,046	
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	

	2014	\$000	\$000
Fair value at start of period	24,200	178,423	
Additions	0	4	
Revaluation increments/(decrements) recognised in Profit or Loss	0	0	
Revaluation increments/(decrements) recognised in Other Comprehensive Income	(300)	0	
Transfers (from/(to) Level 2)	0	0	
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.

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)

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

Description and fair value as at 30 June 2015 \$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 (\$172,046)	Depreciated replacement cost	Consumed economic benefit	1.75% - 2% per year (1.92% per year)	Greater consumption benefit lowers the fair value.
		Historical cost per cubic metre (m ²)	\$21,602 - \$31,724 per m ² (\$26,663 per m ²)	Higher Historical cost increases the fair value

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 ²)	\$21,602 - \$31,724 per m ² (\$26,663 per m ²)	Higher Historical cost increases the fair value

Reconciliations of the opening and closing balances are provided in Notes 25 and 26

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 27. Intangible assets

	2015 \$000	2014 \$000
Computer software		
At cost	948	948
Accumulated amortisation	(903)	(819)
Accumulated impairment losses	0	0
	45	129
Reconciliations:		
Computer software		
Carrying amount at start of year	129	311
Additions	0	0
Transfers	0	0
Disposals	0	0
Amortisation expense	(84)	(182)
Carrying amount at end of year	45	129

Note 28. Payables

	2015 \$000	2014 \$000
Current		
Trade payables	3	1,336
	3	1,336

Note 29. Funds held in trust

	2015 \$000	2014 \$000
Ticketing Trust Account	2,525	3,311
Robert Finley Trust Account	5	5
	2,530	3,316

Note 30. Provisions

	2015 \$000	2014 \$000
► Current		
Employee benefits provision		
Annual leave ^(a)	174	399
Long service leave ^(b)	22	145
	<u>196</u>	<u>544</u>
Other provisions		
Employment on-costs ^(c)	62	32
	<u>258</u>	<u>576</u>
► Non current		
Employee benefits provision		
Long service leave ^(b)	82	153
	<u>82</u>	<u>153</u>
Other provisions		
Employment on-costs ^(c)	15	25
	<u>97</u>	<u>178</u>

(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:

	2015 \$000	2014 \$000
Within 12 months of the end of the reporting period	122	399
More than 12 months after the reporting period	52	0
	<u>174</u>	<u>399</u>

(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:

	2015 \$000	2014 \$000
Within 12 months of the end of the reporting period	73	145
More than 12 months after the reporting period	31	153
	<u>104</u>	<u>298</u>

(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.

	2015 \$000	2014 \$000
Employment on-cost provision		
Carrying amount at start of year	53	33
Additional provisions recognised	24	47
Payments/other sacrifices of economic benefits	0	(27)
Carrying amount at end of year	77	53

Note 31. Other liabilities

	2015 \$000	2014 \$000
Current		
Accrued expenses	599	487
Income received in advance	201	194
Carrying amount at end of year	800	681

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

	2015	2014
	\$000	\$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

	2015	2014
	\$000	\$000
Asset revaluation surplus		
Balance at start of period	11,950	12,250
Net revaluation increments/(decrements):		
Land	0	(300)
Buildings	(1,053)	0
Balance at end of period	10,897	11,950

Accumulated surplus

	2015	2014
	\$000	\$000
Balance at start of period	24,595	22,533
Result for the period	3,906	2,062
Balance at end of period	28,501	24,595
Total equity at end of period	233,057	230,204

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:

	2015 \$000	2014 \$000
Cash and cash equivalents	1,716	1,996
Restricted cash and cash equivalents (note 20 'Restricted cash and cash equivalents')	2,718	3,335
	4,434	5,331

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

	2015 \$000	2014 \$000
Net cost of services	(11,671)	(13,039)
► Non cash items:		
Depreciation and amortisation expense (note 9)	3,892	4,195
Doubtful debts expense	0	0
Services received free of charge (note 19)	16	(2)
Net loss on sale of property, plant and equipment (note 18)	14	140
► (Increase)/decrease in assets:		
Current inventories	107	(14)
Current receivables ^(a)	(503)	(67)
Other current assets	209	(112)
► Increase/(decrease) in liabilities:		
Current payables ^(a)	(1,333)	(434)
Funds held in trust	(786)	114
Current provisions	(318)	(124)
Other current liabilities	119	(472)
Non current provisions	(81)	0
Net GST receipts/(payments) ^(b)	(1)	(7)
Net cash provided by/(used in) operating activities	(10,336)	(9,822)

(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.

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

	2015 \$000	2014 \$000
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:		
Within 1 year	10	9
Later than 1 year and not later than 5 years	10	2
	20	11

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 2015.

Note 36. Explanatory statement

Significant variations between the Board's estimates and actual results for 2015 and between the actual results for 2014 and 2015 are shown below. Significant variations are considered to be those greater than 10% or \$100,000.

Significant variances between estimated and actual result for 2015

	2015 Estimates \$000	2015 Actual \$000	Variation \$000
Supplies and services	4,641	4,280	(361)
Depreciation and amortisation expense	3,569	3,892	323
Accommodation expenses	2,801	2,494	(307)
User charges and fees	6,044	6,443	399
State grants and subsidies	355	1,348	993

Supplies and services

The decrease in Supplies and Services is as a result of the delay in the roll out of the new branding across the venues and the delay in the finalisation of the ITC review. Implementation of this project (ITC review) will now occur in 2015-16.

Depreciation and amortisation expense

The increase is as a result of an underestimation of the depreciation expense for buildings and musical instruments.

Accommodation expenses

The decrease is attributable to lower than budget electricity charges and building related maintenance costs mainly due to the closure of His Majesty's Theatre for two months.

User charges and fees

The increase is mainly as a result of better than budget performance at State Theatre Centre and Subiaco Arts Centre.

State grants and subsidies

The large increase in State Grants and Subsidies is attributable to funding received from the DCA for the fire systems upgrade. This funding was not included in the budget for 2014-15.

Significant variances between actual results for 2015 and 2014

	2015	2014	Variance
	\$000	\$000	\$000
► Income			
User charges and fees	6,443	7,331	(888)
Sales	3,129	4,988	(1,859)
Sponsorship	114	415	(301)
Service appropriation	13,523	14,493	(970)
State grants and subsidies	1,348	755	593
Other revenue	2,193	2,021	172
Assets assumed/(transferred) in	0	(145)	145
► Expenses			
Employee benefits expense	11,665	14,158	(2,493)
Supplies and services	4,280	4,875	(595)
Accommodation expenses	2,494	2,987	(493)
Cost of sales	838	1,230	(392)
Loss on disposal of non-current assets	14	140	(126)
Depreciation	3,892	4,195	(303)
Other Expenses	241	321	(80)

User charges and fees

The decline in User Charges and Fees can be attributed to PTT no longer managing the Perth Concert Hall as of 1 January 2015, as well as the Food & Beverage function now being outsourced and no longer reported in PTT.

Sales

The decline in sales from the prior year can be explained by the Food & Beverage function now being outsourced to Beaumonde and the sales no longer reported.

Sponsorship

This is due to the reclassification of the City of Perth's contribution for Perth Concert Hall from Sponsorship to Other Revenue.

Service appropriation

The reduction in service appropriation can be explained by once off shortfall funding received in the 2013-14 year for Albany Entertainment Centre and once off funding received in the 2013-14 year for the decommissioning of BOCS ticketing and the payment of FTEs.

State grants and subsidies

The increase can be explained by funding from the Department of Culture and the Arts for the HMT Fire system upgrade project that was not received in the prior year.

Other revenue

This is due to the reclassification of the City of Perth's contribution for Perth Concert Hall from Sponsorship to Other Revenue.

Assets assumed/(transferred in)

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.

Employee benefits expense

The reduction in employee benefits expense can be explained by PTT no longer managing Perth Concert Hall as well as the Food and Beverage function for all venues now being outsourced to Beaumonde as of 1 January 2015. PTT only report a commission from Beaumonde and no longer report the employee benefits expense for Food & Beverage.

Supplies and services

The reduction in supplies and services can be explained by PTT no longer managing the Perth Concert Hall as well as the Food and Beverage function for all venues now being outsourced to Beaumonde from 1 January 2015. PTT only report a commission from Beaumonde and no longer report the employee benefits expense for Food & Beverage.

Accommodation expenses

The reduction in accommodation expenses can be explained by PTT no longer managing the Perth Concert Hall and therefore no longer recording the building maintenance costs from 1 January 2015.

Cost of sales

The reduction in cost of sales can be attributed to the Food and Beverage function now being outsourced to Beaumonde and no longer reported in PTT from 1 January 2015

Loss on disposal of non-current assets

In the 2014-15 year, less assets were written off/disposed of in comparison to the 2013-14 year.

Depreciation

The decrease in depreciation is mainly attributable to the reduction of the building values after the revaluation in 2013-14.

Other Expenses

The reduction in other expenses can be attributed to the Perth Concert Hall no longer being managed by PTT from 1 January 2015 and therefore no longer reporting the venue's other expenses.

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 22 '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:

	2015 \$000	2014 \$000
Financial Assets		
Cash and cash equivalents	1,716	1,996
Restricted cash and cash equivalents	2,718	3,335
Receivables ^(a)	27,726	22,265
Financial Liabilities		
Financial liabilities measured at amortised cost	3,333	0

(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	Not past due and not impaired \$000	Past due but not impaired					Impaired financial assets \$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	
2015								
Cash and cash equivalents	1,716	1,716						
Restricted cash and cash equivalents	2,718	2,718						
Receivables ^(a)	1,336	1,286	18	9	22			
Amounts receivable for services	26,390	26,390						
	32,160	32,110	18	9	22	0	0	0
2014								
Cash and cash equivalents	1,996	1,996						
Restricted cash and cash equivalents	3,335	3,335						
Receivables ^(a)	706	664	19	0	23	0		
Amounts receivable for services	21,559	21,559						
	27,596	26,890	19	0	23	0	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
2015											
Financial Assets											
Cash and cash equivalents	2.61%	1,716		1,716		1,716	1,716				
Restricted cash and cash equivalents	2.61%	2,718		2,718		2,718	2,718				
Receivables ^(a)	-	1,336		0	1,336	1,336	1,336				
Amounts receivable for services	-	26,390		0	26,390	26,390				26,390	
		32,160	0	4,434	27,726	32,160	5,770	0	0	26,390	0
Financial Liabilities											
Payables	-	803			803	803	803				
Funds held in trust	-	2,530			2,530	2,530	1,593	330	607		
		3,333	0	0	3,333	3,333	2,396	330	607	0	0
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

(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
2015					
Financial Assets					
Cash and cash equivalents	1,716	(17)	(17)	17	17
Restricted cash and cash equivalents	2,718	(27)	(27)	27	27
		(44)	(44)	44	44
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

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 Trust

The 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:

	2015	2014
\$ 0 - 10,000	6	6
	\$000	\$000
Base remuneration and superannuation	26	30
Annual leave and long service leave accruals	0	0
Other benefits	0	0
Total remuneration of trustees of Perth Theatre Trust	26	30

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:

	2015	2014
\$		
240,000 - 250,000	0	1
250,000 - 260,000	1	0
	\$000	\$000
Base remuneration and superannuation	220	213
Annual leave and long service leave accruals	31	31
Other benefits	0	0
Total remuneration of senior officers	251	244

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:

	2015	2014
	\$000	\$000
Auditing the accounts, financial statements and key performance indicators	42	28

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 Ticketing 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.

	2015	2014
	\$000	\$000
Balance at the start of the year	0	0
Receipts	9,500	0
Payments	(6,975)	0
Balance at the end of the year	2,525	0

Note 43. Supplementary financial information

(a) Write-offs

	2015	2014
	\$000	\$000
Public property written-off by the Board of Trustees during the financial year	0	0

(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 acknowledgements:

Cover

- ▶ State Theatre Centre of WA exterior. Photo by Eva Fernandez.

Document

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- ▶ Page 48 and 49 - ATC members with a Pat Wing 10 Catalina at Crawley, c.1942, *The Catalinas of Crawley Bay*. Photo courtesy Aviation Heritage Museum, WA.
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- ▶ Page 58 and 59 - State Theatre Centre of WA exterior. Photo by Robert Frith.
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- ▶ Page 96 - Photograph of George Wallace, *Treasures and Trinkets* Museum of Performing Arts. Photo by Alison Rodrigues.
- ▶ Page 100 - *the boat goes over the mountain*. Photo courtesy Happy Dagger Theatre.
- ▶ Page 102 and 103 - Audience at *La Carousel Bleu*, Sugar Blue Burlesque, Downstairs at the Maj, His Majesty's Theatre. Photo by Alison Rodrigues.
- ▶ Page 109 - Jake McLarnon and Scott Ewen, *Be Your Self*, Australian Dance Theatre. Photo by Alison Rodrigues.

