

Australian
Festival of
Chamber
Music



TOWNSVILLE
NORTH
QUEENSLAND



ANNUAL REPORT 2020

Music in the tropics... Sounds like paradise

AFCM.COM.AU

Our mission is to:

- Deliver an international chamber music festival and related experiences to Townsville.
- Enrich the cultural life of North Queensland; and
- Create compelling reasons for diverse audiences to visit from across Australia and around the world.

We aim to enrich lives, educate and excite people about chamber music by presenting great artists in innovative and creative programming.

We value:

- Artistic Integrity
- Engagement
- Education
- Professionalism
- Openness
- Accountability

Our Strategic Objectives are to:

- Create a unique festival experience
Educate and enrich key stakeholders from artists and audiences to sponsors and supporters.
- Grow and diversify our audiences
Increase consumer awareness and Festival audiences through effective marketing and communications and innovative music programs of a broad repertoire that appeal to a wide audience.
- Secure long-term sustainability
Maintain a sound business model and operating system that guarantees future financial stability and a successful artistic program.

The Australian Festival of Chamber Music acknowledges the Traditional Owners and Custodians of Townsville – the Wulgurukaba of Gurambilbarra and Yunbenun; and Bindal people. We pay our respects to their cultures, their ancestors and their Elders – past and present – and all future generations. We recognise and value the integral role Aboriginal and Torres Strait Islander people play in our creative and artistic endeavours.

CHAIR'S MESSAGE



I think all Australians would agree that 2020 was an unforgettable year for all the wrong reasons, and AFCM is no exception.

We were bitterly disappointed to have to cancel last year's

Festival, as a result of the Covid pandemic. Kathryn Stott's final program was designed to be a celebration of her three year tenure with us, and a raft of international guests were expected.

We had to make a series of quick decisions with very little information to guide us, and no sense of how long the emergency was likely to last. The potential arrival of vaccines gave us some cause for hope, but the likely community impact of Covid-19 in the medium term meant that we had to make some difficult choices.

We decided that we did not want to lose Kathy's *Carnival* program entirely, so we were delighted when incoming Artistic Director, Jack Liebeck, graciously agreed to start a year later, in 2022, and Kathy agreed to extend her contract, making the necessary adjustments to allow the majority of her original program to be presented in 2021, albeit without international artists.

In lieu of our usual Festival format in 2020 we were able to collaborate with our friends at Melbourne Digital Concert Hall to present three streamed concerts and a range of associated events on what would have been our August closing weekend in Townsville. In October we collaborated with the North Australian Festival of Arts which included streaming a further two concerts and an online version of our popular Queens Garden Concert. We are delighted that this enabled us to connect with our supporters and audience

members and I thank all those responsible for enabling AFCM to 'pivot' in this way.

We are thankful to our funders, the Queensland Government, through Arts Queensland and Tourism and Events Queensland, and Townsville City Council, and our major sponsors, who maintained their support for AFCM in 2020. In particular, the Federal Government's JobKeeper supplement enabled us to keep our staff fully employed during the year. In addition, we are immensely grateful to our donors who allowed us to retain their 2020 contributions and to our many loyal supporters who agreed to roll their bookings forward to 2021, and in particular to those wonderful patrons who donated the cost of their tickets. Many have repeated their donations and purchased tickets again this year. Bless you all!

In assessing the appropriate strategic framework for the circumstances in which we found ourselves, your Board took the view that we should be extremely cautious, and in financial terms, plan, as far as possible, over a two year term rather than our traditional one year. Our plan was to achieve as positive a result as possible in 2020, in order to offset the significant deficit we are expecting in 2021, as we anticipate reduced revenue from box office, sponsorship and donations. Our goal is to end up square by the end of 2021, and thus far, that is looking like a great strategy – we've done well in 2020, and we are on track in terms of managing the budgetary framework we have set for ourselves in 2021.

Like almost all Australian arts companies, our program in 2021 is, of necessity an all-Australian program. While we are disappointed not to be able to welcome the overseas artists that Kathy had planned for us, we are delighted to be able to provide performance opportunities for many more Australian artists.

Our goal of a Concert Hall, as part of a greater push by the Townsville arts community for a Cultural Precinct to renew the town's ageing cultural infrastructure, continues to occupy our time and attention. We remain hopeful, and are currently waiting on Council to produce the Business case that will underpin the quest for Government funding.

Finally, I would like to thank my Board of Directors, and our dedicated staff. Their hard work, advice and support under extremely difficult circumstances has been much appreciated,

and I thank them all. We thank and bid farewell to Gavin Findlay, our Executive Director of the past two and a half years, and wish him well in his retirement to North Queensland, and we look forward to welcoming new Executive Director, Dr Ricardo Peach, joining us soon.

Sandra Yates AO
Chair

EXECUTIVE DIRECTOR'S MESSAGE



AFCM got off to a great start in 2020 with the announcement of Jack Liebeck's appointment to take over from Kathryn Stott as Artistic Director in 2021. Then the world changed, and no-one could have predicted the rollercoaster ride that followed. Planning, marketing and ticket sales for the 2020 Festival

were in full swing when the COVID-19 pandemic hit Australia hard. Artist contracts had been signed, sheet music distributed, accommodation and venues booked, travel bookings were underway, and the detailed production and rehearsal schedule was close to finished.

The Board decided in March 2020 that it was no longer possible to deliver the Festival due to the emerging COVID-19 pandemic and to postpone Kathy's 30th Anniversary program until July 2021. At the time of postponement, the *Carnival* program was on track to deliver AFCM's best-ever year at the box office. Patrons were offered a refund or to convert to a donation; we were gratified to find that two-thirds chose to transfer their ticket to 2021 while others

elected to donate their ticket purchases to AFCM. Jack Liebeck graciously agreed to defer the commencement of his tenure until 2022.

With the postponement, AFCM recognised the importance of maintaining an ongoing presence with key stakeholders and satisfying government and corporate funders where the agreements are outcomes-focussed. The Festival introduced new digital initiatives in 2020 to maintain awareness and audience development. AFCM successfully presented its first online Festival *Prelude* in August 2020 with 40 per cent of the online audience being new customers. Partnership with the Melbourne Digital Concert Hall (MDCH) delivered concerts to audiences across Australia and around the globe on 7-9 August 2020, which would have been the AFCM 2020 Closing Weekend. This was preceded by a week of ABC Classic replaying concerts from previous Festivals.

The creation of "AFCM Presents" as a subsidiary brand saw recitals, masterclasses and workshops held in Townsville in October 2020 in partnership with the North Australian Festival of Arts, featuring Queensland artists Daniel de Borah and the Orava Quartet. Two live performances to COVID-

safe local audiences were live-streamed in association with MDCH. A successful "virtual" Queens Gardens Concert was held with pre-recorded performances from AFCM international artists as well as Townsville's 1RAR Band and Amadeus Singers in front of a live audience of 500 and a wider audience online via YouTube. Junior Winterschool events included a piano masterclass by Daniel de Borah and workshops by the Orava Quartet at Kirwan State High School, Pimlico State High School, St Patrick's College and Townsville Grammar School.

Thanks to COVID subsidies and ongoing State and Local Government support, and our wonderful sponsors and donors, core staff were able to be retained through 2020. This enabled AFCM to quickly plan and deliver alternate 2020 activities including digital initiatives, overhaul office systems, and to prepare for the challenges of delivering the 2021 Festival. AFCM is very fortunate to have experienced

staff of the highest calibre in all departments, and I thank them for their hard work in sometimes very difficult circumstances.

Sustainability of AFCM's business model relies on delivering a high-quality festival in 2021 and providing patrons and artists with certainty that the program that has been put on sale is that which will be delivered. I bid farewell to AFCM secure in knowing that the company is in an excellent financial position, with the 2021 Festival thoroughly planned and COVID risks and scenarios mapped. It is guided by an excellent and wise Board of Directors who have given AFCM the best possible chance for a successful 2021 Festival. I thank you all and look forward to enjoying the Festival, and the good company that goes with it, in years to come.

Gavin Findlay
Executive Director



AFCM Presents first Digital Festival featuring Ensemble Liaison, David Griffiths (clarinet), Svetlana Bogosavljevic (cello) and Timothy Young (piano) perform Brahms, Wilde and Frolov. Live streamed from the Athenaeum Theatre, Melbourne in partnership with Melbourne Digital Concert Hall.



Artists who performed online or at Covid safe concerts in 2020

Kathryn Stott	UK	Piano
Jack Liebeck	UK	Violin
Joe Chindamo	AU	Piano
Kristian Chong	AU	Piano
Daniel de Borah	AU	Piano
J P Joffre	Argentina/USA	Bandoneon
Marianna Shirinyan	DEN	Piano
Yumi Kurosawa	Japan	Koto
Zoe Black	AU	Violin
Pavel Fischer	CZ	Violin
Karen Gomyo	Germany	Violin
Dimity Hall	AU	Violin
Julian Smiles	AU	Cello
Lloyd Van't Hoff	AU	Clarinet
Wu Man	China/USA	Pipa
Roderick Liebeck	UK	Baritone

Ensemble Liason

David Griffiths	AU	Clarinet
Svetlana Bogosavljevic	AU	Cello
Timothy Young	AU	Piano

Orava Quartet

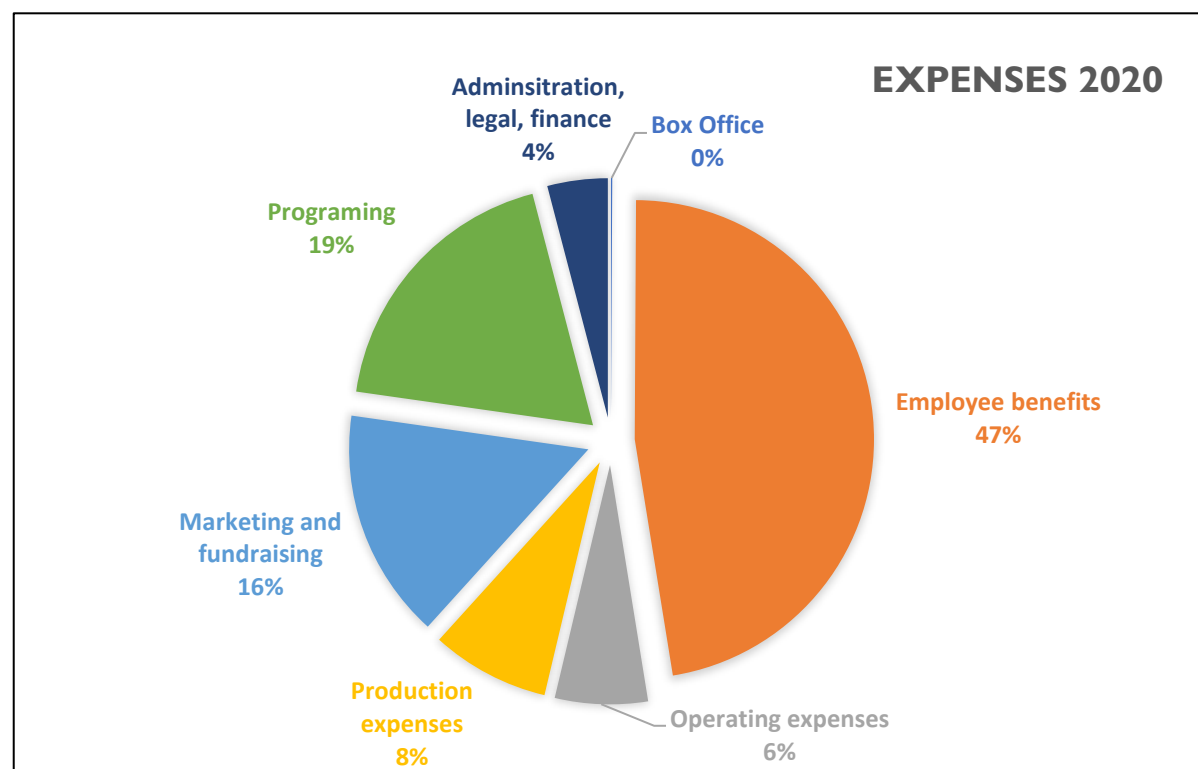
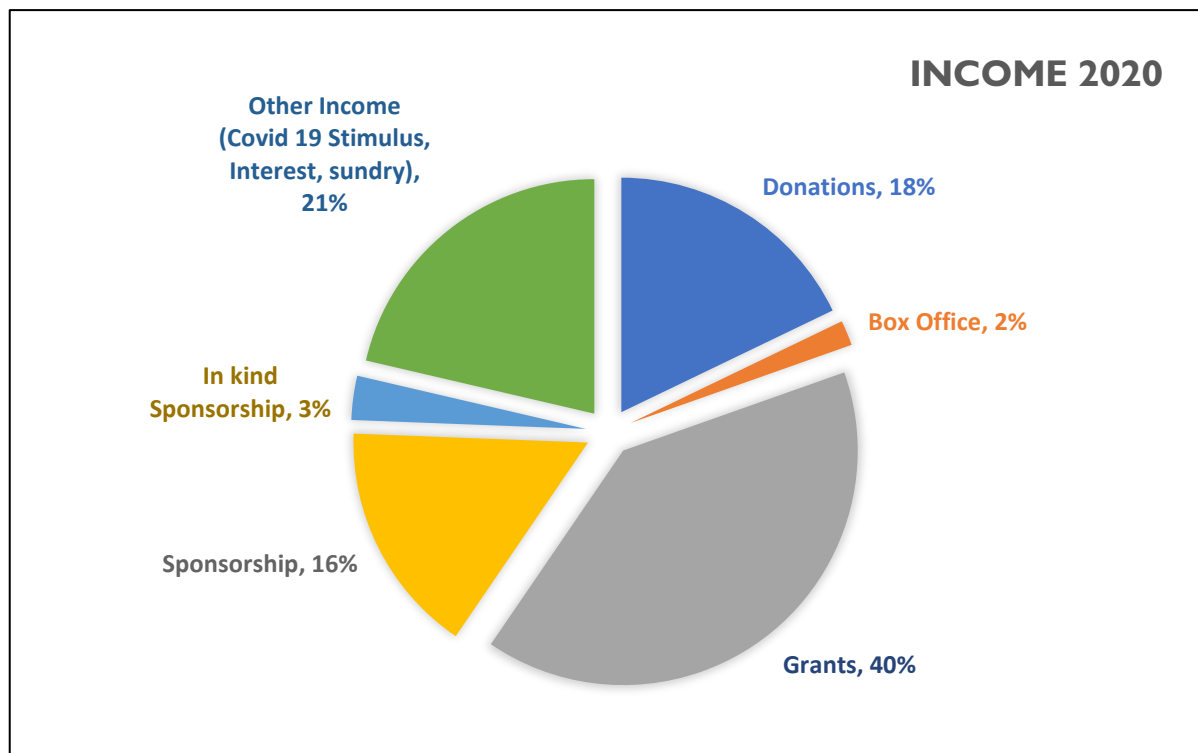
Daniel Kowalik	AU	Violin
David Dalseno	AU	Violin
Karol Kowalik	AU	Cello
Thomas Chawner	AU	Viola

Nexas Quartet

Michael Duke	AU	Soprano Saxophone
Andrew Smith	AU	Alto Saxophone
Nathan Henshaw	AU	Tenor Saxophone
Jay Byrnes	AU	Baritone Saxophone

Amadeus Singers	Townsville
Barrier Reef Orchestra	Townsville
Band of the First Battalion, The Royal Australian Regiment (1 RAR)	Townsville

FINANCIAL OVERVIEW



DONATIONS

We extend a heartfelt thankyou to those who donated to the AFCM in 2020, we are grateful for your support. We acknowledge the following people who donated \$250 or more.

* denotes Artist Supporter or Supporter Syndicate participant

PRESTO: \$10,000+

Philip Bacon Galleries*
Martin Dickson AM and Susie Dickson*

VIVACE: \$5,000 – \$9,999

Brian Abel*
John Holmes and Kym Smith*
Mrs W.G. Keighley*
Marjorie Nicholas OAM, Catherine McPherson, Gregory McPherson*
Roger and Helen Salkeld*
Ann and Roger Smith*
Geoff Stearn*
Leslie C. Thiess and John Hughes*
Dr Nita Vasilescu*
Cameron Williams*
Anonymous (2)*

ALLEGRO: \$2,500 – \$4,999

Alan and Janet Bell*
Marg and Peter Colquhoun*
Drs Frank and Ailbhe Cunningham*
Robert Dagworthy AM and Christine Dagworthy*
Meta Goodman
Russell Mitchell and Valmay Hill*
Hon. Justice D. North and Jane Seawright*
Rosalind Strong AM and Antony Strong*
Jeffrey Whitford
Margot Woods and John Saboisky
Anonymous* (2)

ANDANTINO: \$1,000 – \$2,499

Sandra Yates AO and Michael Skinner*
Noela Billington
Beth Brown
David Caddy
Rosemary Crain
Garry Crittenden
Mary Jo Capps AM and Lloyd Capps*
Liz Foster*

Trish Goodman
Annie Hawker*
Richard Hoy
David Kershaw*
Keith Kessell
Noeline Sandblom*
Lynne Saunder*
Kenneth Saxby*
Jenny Sebba

MODERATO \$250 – \$999

Roxanne Louise Boulton
Alan Carpenter
Ian Collins
Bruce Curl
Ermes De Zan
Annabel Enno
Janie E Gibson
Eric Gilford
Peter Hales
Brian Hill
Dr Betsy Jackes
Anne Jaumees
Jennifer L Jones
Ken Kipping AM
Amanda Hollis Kube
Richard Lee
David Malouf AO
Warwick McEwan
Andrew McWhinnie
Pamela Millar
Heather Robertson
Maryanne Smith*
Dr Anne Tanner*
Margaret Treadwell
Ian Underwood

FUTURE FUND

Meta Goodman

AFCM FUTURE FUND FOUNDING DONORS (\$1000 +)
DONATED IN 2013 AND RECOGNISED IN PERPETUITY

Mr Andrew Andersons AO
 Ms Gioconda Augimeri and Mrs Rosemary Prior
 Mrs Rita Avdiev
 Mrs Sheila Bignell
 Mr John Binder and Mrs Maree Binder
 Ms Jennifer Bott AO
 Mr Bruce Bowman and Mrs Lyn Bowman
 Dr Di Bresciani OAM
 Ms Beth Brown and the late Mr Tom Bruce AM
 Mrs Roslyn Carter
 Ms Elizabeth Clark
 Crystal Clear PR and Marketing
 Sir Michael Curtain
 Dr Cyril Curtain In memory of the late Mrs Betty Curtain
 Mr Peter Davies and Mrs Lesley Davies
 Dr Peter de Jersey AM and Mrs Beverley de Jersey
 Mr Martin Dickson AM and Mrs Susie Dickson
 Mr Terry Dodd
 Mr Alan Duncan and Mrs Bea Duncan in memory of our mothers, Mollie and Letitia.
 Mr Michael Fellows and Mrs Carmel Fellows
 Ms Tanya Geha in memory of the late Prof Ray Golding
 Mr Dick Gibberd and Mrs Mary Gibberd
 Ms Meta Goodman
 Ms Sue Hackett
 Dr Lesley Haussmann and Mr Geoff Haussmann
 Ms Annie Hawker
 Dr J R Hazel
 Mr Edward M Jackes OAM and Prof Betsy Jackes
 James Cook University
 Mr Andrew Johnston and Dr Fiona Johnston
 Mr Robert Jones
 Mr Roy Jorgensen and Mrs Margery Jorgensen
 Dr Nicholas Jose and Dr Claire Roberts
 Mrs Belinda Kendall-White
 Mr David Kippin
 Mr Piers Lane AO

Prof David Low and Ms Julieanne Cox
 Dr Steven Lun and Mrs Janelle Lun
 The late Hon. Jane Mathews AO
 A B A Matthews in memory of the late Mrs Shirley Schmidt and all Teachers of Music in Dry Tropical Qld
 Mrs Elisabeth McDonald
 Mr Warwick McEwan and the late Mrs Katherine McEwan
 Prof Robyn McGuiggan and Mr Karl Scholl
 Mr Iane Meade and Dr Sally Meade
 Mr Robert Monteith QC
 Senator Claire Moore
 Mr Hilton Nicholas AM, OBE and Mrs Marjorie Nicholas OAM, Ms Catherine McPherson, Mr Gregory McPherson
 Mr Tom O'Dea and Mrs Ruth O'Dea
 Mr Martin Moynihan and Ms Marg O'Donnell AO
 Dene Olding AM and Irina Morozova
 Mr Frank Osborn and Mrs Beverley Osborn
 Dr Fiona Pagliano and Prof Paul Pagliano
 Mr David Robinson and Mrs Jan Robinson
 Mr Willy Rombout
 Sealink Townsville
 Mr Chris Smalley and Mrs Bronwyn Smalley
 Mrs Maryanne Smith
 Lady Adrienne Stewart NZM QSM
 Mrs Rosalind Strong AM and Mr Antony Strong
 Ms Eva Sweet
 Mr Joe Tapiolas (Parkside Group)
 Townsville Bulletin
 Prof Andrew Vann
 Dr Nita Vasilescu
 Mr Cameron Williams
 Wilson Ryan Grose Lawyers
 Ms Jill Wran
 Ms Sandra Yates AO and Mr Michael Skinner
 Mr John Zabala and Mrs Annette Zabala

VOLUNTEERS IN 2020

Thank you to

Emily Littlewood

Janet Askern

Gai Copeman

Judy Hunter

Bronwyn Smalley

Chris Smalley

and the many volunteers who signed up to help us in 2020, but then Covid-19 meant we had to postpone.



AFCM Presents

Virtual Queens Gardens Concert (free event). Co-presented by AFCM and Townsville City Council

ACKNOWLEDGEMENTS

Board of Directors

Sandra Yates AO - Chair (Sydney)
Mary Jo Capps AM (Sydney)
Robert Dagworthy AM (Casuarina, NSW)
Judith Higgins Olsen (Townsville)
Professor Matthew Hindson AM (Melbourne)
Michael Katz (Sydney)
Timothy Kelly (Townsville)
Russell Mitchell (Brisbane)
Marjorie Nicholas OAM (Melbourne)
Jane Seawright (Townsville)

Retired 2020

Michael Wilkins (Sydney)
Stephen Baines (Brisbane)
Michael Fellows (Townsville)

Compliance, Audit and Risk Management Committee

Russell Mitchell - Chair
Michael Katz
Timothy Kelly

Artistic Director

Kathryn Stott

Administration

Executive Director - Gavin Findlay
Marketing Manager - Sheridan Helft
Philanthropy Manager - Sue Hackett
Marketing & Development
Executive - Jacqui Ferry
Office Manager - Denise Kaitira
Office Assistant - Karen Littlewood

Festival Team

National Publicist - Kath Rose,
Kath Rose & Associates
NQ Publicist - Heidi Turner,
Crystal Clear Public Relations
Townsville Civic Theatre Crew and Staff

Festival Brand Identity Design

The Hunting House

Website

Oracle Studio - Michael Smith and Adam Pendle

Photography and Video

Tourism and Events Queensland
Townsville Enterprise
Andrew Rankin
Jacqui Ferry
Peter Jepson Media Services
Jongleur Video Productions
5Stream
Melbourne Digital Concert Hall

Special Thanks

Townsville Ticketshop Team
1RAR Band
Sally Frewen-Lord - BRO Coordinator
Glenn Minty Mintern
Judy Higgins Olsen
Bill Anderson

Australian Festival of Chamber Music

STRATEGIC PARTNERS



Queensland
Government

SUPPORTED BY



Australian Festival of Chamber Music
Level 1, Breakwater Terminal
Sir Leslie Thiess Drive, Townsville QLD 4810
PO Box 5871, Townsville QLD 4810
AFCM.COM.U

Australian Festival of Chamber Music North Queensland Limited

ABN 34 050 418 730

Financial Report
For the Year Ended 31 December 2020

Directors' Report

For the Year Ended 31 December 2020

The directors present their report on Australian Festival of Chamber Music North Queensland Limited for the financial year ended 31 December 2020.

General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Retired
Sandra Yates AO	Chair	Elected 27 February 2020
Stephen Baines	Non-Executive Director	Retired 27 February 2020
Mary Jo Capps AM	Non-Executive Director	
Robert Dagworthy AM	Non-Executive Director	Elected 27 February 2020
Michael Fellows	Non-Executive Director	Retired 27 February 2020
Judith Higgins-Olsen	Non-Executive Director	
Professor Matthew Hindson AM	Non-Executive Director	Appointed 1 September 2020
Michael Katz	Non-Executive Director	Appointed 10 August 2020
Timothy Kelly	Non-Executive Director	
Russell Mitchell	Non-Executive Director	
Marjorie Nicholas OAM	Non-Executive Director	
Jane Seawright	Non-Executive Director	
Michael Wilkins	Non-Executive Director	Retired 27 February 2020

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Australian Festival of Chamber Music North Queensland Limited during the financial year was to present the Chamber Music Festival in Townsville and North Queensland. Due to the government-imposed restrictions as a result of the COVID-19 pandemic during the year, the Festival presented a series of performances via an online platform.

No significant changes in the nature of the Company's activity occurred during the financial year.

Objectives

Our vision is to create a transformative experience of chamber music in the tropics that leaves a lasting legacy for the Townsville region.

Our mission is to:

- Deliver an international chamber music festival and related experiences to Townsville
- Enrich the cultural life of North Queensland; and
- Create compelling reasons for diverse audiences to visit from across Australian and around the world.

Strategy for achieving the objectives

This will be delivered by focusing on five key goals:

- A festival of national and international significance - To substantially lift the artistic impact, quality and profile of the AFCM nationally and internationally.

Directors' Report

For the Year Ended 31 December 2020

General information

Strategy for achieving the objectives

- An iconic, purpose-built concert hall – To drive and support the process of putting in place much needed arts infrastructure for North Queensland with a focus on a purpose-built concert hall in Townsville.
- Growing audiences and concert revenue - To continue the process of growing and diversifying AFCM audiences and concert revenue locally, nationally and internationally.
- Cultural, social and economic impact - To make a significant cultural, social and economic contribution in Townsville, North Queensland and the broader Australian community.
- A sustainable organisation - To ensure that AFCM is managed and governed in an efficient, effective and accountable way.

Members' guarantee

Australian Festival of Chamber Music North Queensland Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 20, subject to the provisions of the company's constitution.

At 31 December 2020 the collective liability of members was \$720 (2019: \$ 680).

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Gavin Findlay

Qualifications

PhD candidate (Digital Humanities), Australian National University;
Master of Public Policy (Policy Analysis), Australian National University; Bachelor Music (Performance), University of Tasmania

Information on directors

Sandra Yates AO

Experience

Chair

Has held significant appointments in media, marketing, publishing and the arts. She was the chair of the NSW TAFE Commission Board (1998 – 2007), Chair of Sydney Writers' Festival 2000 - 2011. Chairman of the advertising firm Saatchi & Saatchi Australia 1996 – 2004. Publisher of Time magazine 1990 – 1993. President and CEO of Matilda Publications Inc. with her then business partner, Dr. Anne Summers, in New York in 1988. Past President of Chief Executive Women, and the YWCA of Sydney, and a former board member of the University of New South Wales Press, NSW Major Events Board, UNICEF, Musica Viva, and the Taronga Foundation. Past President of the Magazine Publishers Association of Australia, and a former director of the Magazine Publishers Association in the US.

Stephen Baines

Qualifications

Experience

Non-Executive Director

MBA (Deakin University), B. Bus (Communication) (QUT)

Strategist and innovator with more than 25 years' experience in mining, transportation and technology. As Chief Innovation Officer and Advisor to the Chairman at Aurizon (2006-2016) helped conceive and execute the second-largest government IPO in Australian history. Former Director of the Cooperative Research Centre for Rail Innovation. Currently Advisor to Blue Chilli's City Connect innovation project, and Principal of The Baines Effect. Stephen retired from the Board at the 2020 AGM due to relocating overseas.

Directors' Report

For the Year Ended 31 December 2020

Information on directors

Mary Jo Capps AM

Qualifications

Experience

Non-Executive Director

MusBach, MA Musicology (Toronto), Doctor VPA (hons caus. Melbourne), GAICD

Mary Jo served for nearly 20 years as CEO of Musica Viva Australia. Over the past 40 years, she has held senior management and consultancy roles in the Australian cultural industry, including the WA Symphony Orchestra, the Sydney Symphony Orchestra, Company B Belvoir Theatre, Bangarra Dance Theatre and the Museum of Contemporary Art, as well as serving on a number of business and pro bono boards. She was awarded the first Creative Partnerships Australia Arts Leadership Award in 2016, an honorary Doctor of Visual and Performing Arts from the University of Melbourne in 2017, and Member of the Order of Australia in 2019 in recognition of her services to the arts and to business. She now works as a mentor, consultant and executive recruiter in arts and culture. Board roles include Chair of the Dean's Advisory Board, Faculty of Fine Arts and Music, University of Melbourne; Chair, Australian Major Performing Arts Group; and Chair, Peggy Glanville-Hicks Composers House.

Robert Dagworthy AM

Experience

Non-Executive Director

Bob had a career in the Royal Australian Navy, which included command of the Australian Mine Warfare and Patrol Boat Force, Diplomatic appointments, project management and ship command. He has had specialist training in conflict resolution and negotiating practices. Since retirement he has served as Treasurer of an RSL sub branch and Secretary of the Tweed Regional Gallery and Margaret Olley Arts Centre. He is current Chair of Austrans Pty Ltd. In 1993 he was appointed a Member of the Order of Australia for distinguished services to the RAN and the Australian Defence Force, as Defence Adviser New Delhi.

Michael Fellows

Qualifications

Experience

Non-Executive Director

Bachelor of Laws, UQ

Experienced Legal practitioner for more than 40 years. A resident of Townsville since 1988 he works throughout North Queensland as a Barrister-in-law, mediator and arbitrator. Formerly (until 2018) Chairman of Committees and Deputy Chancellor of the Anglican Diocese of North Queensland. He serves as Cathedral Organist of St. James Cathedral and is an enthusiastic member of the Australian Institute of Professional Photographers. Michael's tenure as a member of the Board expired in March 2020 by virtue of the company's constitution. He was a member of the Board of AFCM for 11 years.

Judith Higgins-Olsen

Qualifications

Experience

Non-Executive Director

Bachelor Sport & Exercise Science, James Cook University Townsville.

Worked in allied health practice assisting and treating patients. Previous General Manager of Townsville Fire (Women's National Basketball League) and previous General Manager of Townsville Hospital Foundation. Previous Board Director of North Queensland United Football Club. Active member of North Queensland Opera & Music Theatre and Townsville Choral Society.

Directors' Report

For the Year Ended 31 December 2020

Information on directors

Professor Matthew Hindson AM
Experience

Non-Executive Director

Matthew is one of the most-performed and most-commissioned composers in the world, and a leading Australian composer of his generation. As well as being performed by every Australian orchestra, the London Philharmonic, the Los Angeles Philharmonic and the Royal Philharmonic among many others, Matthew's music has been set by dance companies such as the Birmingham Royal Ballet, San Francisco Ballet, National Ballet of Japan and the Sydney Dance Company. Matthew is the Deputy Dean and Associate Dean (Education) at the Sydney Conservatorium of Music. From 2004-2010 he was the Artistic Director of the Aurora Festival which is dedicated to the work of living composers. In 2006 Matthew was made a member of the Order of Australia (AM) for his contributions to music education and composition. From 2009-2013 Matthew was the Chair of the Music Board of the Australia Council for the Arts, and from 2013-2015, a board member of the same organisation.

Michael Katz
Qualifications
Experience

Non-Executive Director

B. Com (Hons)

Michael has held positions both in Australia and overseas since graduating from UNSW in 1974. Most recently he was Chairman of the Board of ING Bank (Australia) from 2011 until 2020, having been appointed a Director in 2010. Prior to ING, he had a distinguished career with the Commonwealth Bank of Australia (CBA) commencing in 1993 as Head of Institutional Banking. Prior to joining the CBA, Michael was an Executive Director at Morgan Stanley in Japan and Zurich, and a Vice President at Citicorp Investment Bank in Geneva, Switzerland, between 1981 and 1986. Michael served on the Board of Musica Viva Australia from 2002 to 2016. He was Chairman from 2011 until his retirement. He also served on the Board of the Australian Major Performing Arts Group (AMPAG.) In addition to his passion for music, Michael spends as much time as possible in developing his Wagyu business under the brand, Koolang Wagyu Australia. He was a board member of the Australian Wagyu Association from 2009 until 2012.

Timothy Kelly
Qualifications
Experience

Non-Executive Director

BEcon (UQ), BBus(Acc) (QUT), GDipEd, MEdSt (UQ), MACE, MACEL.

Mr Kelly commenced as the Principal of Townsville Grammar School in 2018. Prior to his appointment at TGS, he was the Deputy Headmaster of Toowoomba Grammar School and the Head of the Business Faculty at Anglican Church Grammar School in Brisbane. Before commencing his career in education, Mr Kelly worked in banking located in Australia and the United Kingdom.

Russell Mitchell
Experience

Non-Executive Director

Russell has extensive experience in the performing arts including as General Manager of Opera Queensland (2012-2017), which followed senior management positions at NIDA (National Institute of Dramatic Art) (2004-2010), Opera Australia (1981-2003) and State Opera of South Australia. He is a former Chairman of Belvoir Street Theatre Limited.

Directors' Report

For the Year Ended 31 December 2020

Information on directors

Marjorie Nicholas OAM

Qualifications

Experience

Non-Executive Director

LL.B (University of Melbourne)

Mrs Nicholas practised as a Barrister and Solicitor of the Supreme Court of Victoria and the High Court of Australia in a Melbourne-based legal career spanning 39 years. She has extensive experience in corporate governance, the not for profit sector and philanthropy. For some 22 years she was also a managing owner/partner in a large-scale cropping and beef cattle enterprise in the NSW Southern Riverina. Mrs Nicholas has most recently served as a board member of Methodist Ladies' College, Kew, Victoria (2013-18), and Howlong Country Golf Club Limited (2010-2018) and has previously held a number of other board directorships. She chairs the MLC Foundation. Classically trained as a pianist, singer and clarinettist, and more recently playing as a cellist with the Murray Conservatorium Orchestra and the North East Victoria Occasional String Orchestra, she maintains a keen interest in music.

Jane Seawright

Qualifications

Experience

Non-Executive Director

BA.LLB (Hons) M.Bus (Marketing) FAICD

An experienced non-executive director and professional company secretary with a background as a corporate and commercial lawyer, knowledge and information professional and business development leader. She has substantial board and senior executive experience in a range of environments, including the not for profit sector, specifically in the arts, sport, mining, health and research sectors. She has advised listed and unlisted companies in corporate governance, capital raising, financing, commercial agreements and arrangements, intellectual property and commercialisation. Jane is a non-executive director of Netball Australia, a board member of Racing Queensland, a director of QCN Fibre Pty Ltd, a Cricket Australia Conduct Commissioner and was recently appointed as an inaugural Member of the National Sports Tribunal. She is a former Chair of Netball Queensland and a former director of the Residential Tenancies Authority, the Queensland Institute of Medical Research Trust and Artisan.

Michael Wilkins

Experience

Non-Executive Director

Managing Director, News Sport Network, News Corp Australia (NSW). The latest post in a 33-year journalistic and management career at News Corp Australia. In 2008 he was appointed News' Group Editorial Business Manager before promotion in 2010 to General Manager of North Queensland News in Townsville. He returned to Sydney as General Manager Operations (NSW) in 2012 and was appointed to his current role in August 2019. Michael retired from the Board at the 2020 AGM due to increased work commitments.

Directors' Report

For the Year Ended 31 December 2020

Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director during the year were as follows:

Name of Director	Meetings eligible to attend	Meetings attended
Sandra Yates AO	10	10
Stephen Baines	2	0
Mary Jo Capps AM	10	10
Robert Dagworthy AM	8	8
Michael Fellows	2	2
Judith Higgins-Olsen	10	9
Professor Matthew Hindson AM	4	3
Timothy Kelly	10	9
Michael Katz	4	4
Russell Mitchell	10	10
Marjorie Nicholas OAM	10	10
Jane Seawright	10	9
Michael Wilkins	2	0

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 60-40 of the Australian Charities and Not for Profits Commission Act 2012, for the year ended 31 December 2020 has been received and can be found on page 7 of the financial report.

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

Director



Date

25/02/2021

Director



Date

25/02/2021

Grant Thornton Audit Pty Ltd

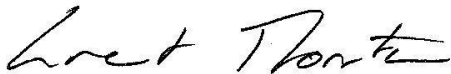
King George Central
Level 18
145 Ann Street
Brisbane QLD 4000
GPO Box 1008
Brisbane QLD 4001

T +61 7 3222 0200

Auditor's Independence Declaration

To the Directors of Australian Festival of Chamber Music North Queensland Limited

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Australian Festival of Chamber Music North Queensland Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



A F Newman

Partner - Audit & Assurance

Brisbane, 25 February 2021

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2020

	Note	2020 \$	2019 \$
Income			
Donations - Future Fund Reserve		1,100	1,500
Donations - General/Artist Support		190,686	175,927
Event Sales		18,604	583,797
Townsville City Council Grants		124,000	114,000
Arts Queensland Grants		120,000	120,000
Tourism & Events Queensland Grants		165,000	200,000
Other Grants		20,000	30,000
Membership & Friends Subscriptions		1,800	38,615
Sponsorship Revenue		172,550	179,000
Sponsorship In-kind		32,600	181,389
Other income	3	227,558	40,798
Expenditure		-	
Depreciation and amortization		(5,261)	(5,775)
Employee benefits		(444,439)	(485,665)
Operating expense - other		(58,781)	(64,510)
Production expenses		(75,062)	(340,226)
Marketing & fundraising		(145,817)	(241,054)
Travel - board and staff		(10,000)	(25,024)
Administration, legal & finance		(32,983)	(75,433)
Restructure expense		-	(25,637)
Programming costs		(175,235)	(469,002)
Box office costs		(823)	(36,867)
Unrealised gains/losses on foreign exchange		15	-
Surplus/(deficit) before income tax		125,512	(104,167)
Income tax expense		-	-
Surplus/(deficit) for the year, net of tax		125,512	(104,167)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		125,512	(104,167)

The accompanying notes form part of these financial statements.

Statement of Financial Position

as at 31 December 2020

	Note	2020 \$	2019 \$
Assets			
Current			
Cash and cash equivalents	4	99,427	436,931
Trade and other receivables	5	32,744	73,862
Other assets		435	435
Financial assets at fair value		435,410	-
Total Current Assets		568,016	511,228
Non-Current			
Property, plant and equipment	6	7,514	12,830
Financial assets at fair value		327,454	320,266
Total Non-Current Assets		334,968	333,096
Total Assets		902,984	844,324
Liabilities			
Current			
Trade and other payables	7	49,760	77,167
Contract liabilities	8	132,960	170,927
Employee benefits	10	21,667	35,613
Other liabilities	9	10,851	2,287
Total Current Liabilities		215,238	285,994
Non-Current			
Employee benefits	10	5,316	476
Other liabilities	9	-	936
Total Non-Current Liabilities		5,316	1,412
Total Liabilities		220,554	287,406
Net Assets		682,430	556,918
Equity			
Reserves		325,866	324,766
Retained earnings		356,564	232,152
Total Equity		682,430	556,918

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

for the year ended 31 December 2020

	Future Fund reserve \$	Retained earnings \$	Total \$
Balance at 1 January 2019	318,140	342,945	661,085
Total comprehensive income	-	(104,167)	(104,167)
Transfer to reserve	6,626	(6,626)	-
Balance at 31 December 2019	324,766	232,152	556,918
Balance at 1 January 2020	324,766	232,152	556,918
Total comprehensive income	-	125,512	125,512
Transfer to reserve	1,100	(1,100)	-
Balance at 31 December 2020	325,866	356,564	682,430

Statement of Cash Flows

for the year ended 31 December 2020

	Note	2020 \$	2019 \$
Cash Flow from Operating Activities			
Receipts from customers and others		638,396	1,275,524
Receipts from grants received		471,900	510,400
Payments to suppliers and employees		(1,013,490)	(1,753,903)
Interest received		3,361	7,577
Net cash provided by (used in) operating activities		100,167	39,598
Cash Flow from Investing Activities			
Purchase of property, plant and equipment		(1,045)	(5,027)
Purchase of financial assets		(435,690)	(315,141)
Net cash provided by (used in) investing activities		(436,735)	(320,168)
Cash Flow from Financing Activities			
Proceeds from borrowings		-	-
Loan payments		(936)	(1,715)
Net cash provided by (used in) financing activities		(936)	(1,715)
Net increase/(decrease) in cash held		(337,504)	(282,285)
Cash at beginning of year		436,931	719,216
Cash at end of year	4	99,427	436,931

Notes to the Financial Statements

for the year ended 31 December 2020

1 Statement of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Basis of preparation

Australian Festival of Chamber Music North Queensland Limited is a not-for-profit company limited by guarantee.

The financial statements cover Australian Festival of Chamber Music North Queensland Limited as an individual entity. The financial statements are presented in Australian dollars, which is Australian Festival of Chamber Music North Queensland Limited's functional and presentation currency.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements were authorised for issue, in accordance with a resolution of the directors on the date the Directors' Declaration was signed. The directors have the power to amend and reissue the financial statements.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Revenue is recognised at a point in time.

Ticket and sales revenue

Revenue received from fundraising and raffles are recognised when received or receivable. Event and ticket sales revenue is recognised at the point in time the event is held.

Notes to the Financial Statements

for the year ended 31 December 2020

1 Statement of significant accounting policies (continued)

Revenue recognition (continued)

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Sponsorship

Sponsorship revenue is recognised when the company satisfies the performance obligations stated within the funding agreements.

Donations

Donations are recognised at the time the pledge is made.

COVID-19 Stimulus

COVID-19 stimulus income, including Job Keeper and Cash Flow Boost are recognised when the right to receive the stimulus has been established.

Membership fees

This revenue is recognised when the membership service is provided. This is typically based on the passage of time over the membership period.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

for the year ended 31 December 2020

1 Statement of significant accounting policies (continued)

Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortised cost
- Fair value through profit and loss (FVPL)
- Equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of financial assets

AASB 9's impairment requirements use forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss. The company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
 - financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
 - 'Stage 3' would cover financial assets that have objective evidence of impairment
- '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Notes to the Financial Statements

for the year ended 31 December 2020

1 Statement of significant accounting policies (continued)

Financial instruments (continued)

Trade and other receivables

The company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

Classification and measurement of financial liabilities

The company's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Contract assets

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Furniture, Fixtures and Fittings	20 - 66.67%
Computer Equipment	40%
Leased Assets	33.33%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Notes to the Financial Statements

for the year ended 31 December 2020

1 Statement of significant accounting policies (continued)

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The company presents employee benefit obligations as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Notes to the Financial Statements

for the year ended 31 December 2020

2 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years except those discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered including events held, customers, staffing and geographic regions in which the entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date.

Notes to the Financial Statements

for the year ended 31 December 2020

3 Other income

	2020	2019
	\$	\$
Covid-19 stimulus	213,164	-
Interest income	2,017	7,577
Sundry income	-	54
Investment income	8,252	5,125
Other earned income	4,125	28,042
Total other income	227,558	40,798

4 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank	99,311	436,815
Cash on hand	116	116
	99,427	436,931

Restricted use funds have been set aside for the Future Fund Reserve of \$325,866 and is held within financial assets. The use of these funds is restricted so as not to form part of the operating cash available to meet ongoing trading operations. No formal trust agreement exists, but the Company has established the Future Fund Reserve for the long term stability of the festival and to support 'grand vision' projects in accordance with the objects of the company and assist in times of extreme financial hardships. The Company will ensure sufficient cash holdings utilised will be restored to maintain the value of the reserve. The Future Fund is also the repository for any major gifts or bequests that may be received by AFCM.

5 Trade and other receivables

	2020	2019
	\$	\$
Trade receivables	12,000	8,355
Prepayments	20,744	65,507
	32,744	73,862

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Notes to the Financial Statements

for the year ended 31 December 2020

6 Property, plant and equipment

	2020 \$	2019 \$
Leased Asset - Phone Equipment		
At cost	7,224	7,224
Accumulated depreciation	(6,823)	(4,816)
Total Leased Asset - Phone Equipment	401	2,408
Furniture, Fixtures and Fittings		
At cost	4,437	9,220
Accumulated depreciation	(4,075)	(8,626)
Total Furniture, Fixtures and Fittings	362	594
Computer Equipment		
At cost	16,668	21,980
Accumulated depreciation	(9,917)	(12,152)
Total Computer Equipment	6,751	9,828
Total property, plant and equipment	7,514	12,830

a Movements in carrying amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year:

	Leased asset \$	Furniture, Fixtures and Fittings \$	Computer Equipment \$	Total \$
Opening balance	2,408	594	9,828	12,830
Additions	-	-	1,045	1,045
Transfers	-	-	-	-
Disposals	-	(113)	(987)	(1,100)
Depreciation expense	(2,007)	(119)	(3,135)	(5,261)
Closing balance	401	362	6,751	7,514

7 Trade and other payables

	2020 \$	2019 \$
Current		
Trade payables	42,886	59,049
GST payable	6,874	18,118
	49,760	77,167

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

Notes to the Financial Statements

for the year ended 31 December 2020

8 Contract Liabilities

	2020	2019
	\$	\$
Contract liabilities	132,960	170,927
	<u>132,960</u>	<u>170,927</u>

9 Other liabilities

	2020	2019
	\$	\$
Current		
Accrued expenses	10,660	-
Finance lease - phone equipment	191	2,287
	<u>10,851</u>	<u>2,287</u>
	2020	2019
	\$	\$
Non-Current		
Finance lease - phone equipment	-	936
	<u>-</u>	<u>936</u>

10 Employee benefits

	2020	2019
	\$	\$
Current		
Annual leave	21,667	35,613
	<u>21,667</u>	<u>35,613</u>
Non-Current		
Long service leave	5,316	476
	<u>5,316</u>	<u>476</u>

11 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$212,719 (2019: \$188,758).

12 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 31 December 2020 (31 December 2019: Nil).

13 Commitments

The company had no commitments for expenditure as at 31 December 2020 and 31 December 2019.

Notes to the Financial Statements

for the year ended 31 December 2020

14 Related parties

The Company's related parties are as follows:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director of the company is considered key management personnel.

Disclosures relating to Key management personnel are set out in Note 11.

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions and are not more favourable than those available to other parties unless otherwise stated.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

15 Events after reporting date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

16 Statutory information

The registered office and principal place of business of the company is:

Australian Festival Of Chamber Music North Queensland Ltd
Level 1, Breakwater Terminal
Sir Leslie Thiess Drive
TOWNSVILLE QLD 4810

Directors' Declaration

In the opinion of the Directors of Australian Festival of Chamber Music North Queensland Limited:

- a The financial statements and notes of Australian Festival of Chamber Music North Queensland Limited are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i) Giving a true and fair view of its financial position as at 31 December 2020 and of its performance for the financial year ended on that date; and
 - ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- b There are reasonable grounds to believe that Australian Festival of Chamber Music North Queensland Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors and in accordance with sub-section 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Director

Dated this 25th day of February 2021

Independent Auditor's Report

To the Directors of Australian Festival of Chamber Music North Queensland Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Australian Festival of Chamber Music North Queensland Limited (the "Company"), which comprises the statement of financial position as at 31 December 2020, and the statement profit or loss and of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Directors' declaration.

In our opinion, the financial report of Australian Festival of Chamber Music North Queensland Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

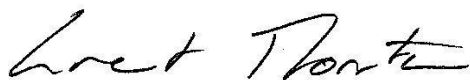
Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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



Grant Thornton Audit Pty Ltd
Chartered Accountants



A F Newman
Partner – Audit & Assurance

Brisbane, 25 February 2021