



EMPIRE THEATRES

ANNUAL REPORT 2013-2014





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Corporate Information

As at 30 June 2014

Empire Theatres Pty Ltd

ACN: 086 482 288
ABN: 83 086 482 288

Registered Office:

56 Neil St, Toowoomba QLD 4350
PO Box 1227, Toowoomba QLD 4350
Phone: 07 4698 9900
Facsimile: 07 4698 9940
Email: empire@empiretheatre.com.au
Web Page: www.empiretheatre.com.au
Facebook: www.facebook.com/EmpireTheatre
Twitter: @EmpireToowoomba
YouTube: www.youtube.com/EmpireTheatre
Instagram: [empiretoowoomba](https://www.instagram.com/empiretoowoomba)

Bankers:

Heritage Bank
Heritage Plaza
Ruthven St, Toowoomba QLD 4350

Auditors:

Queensland Audit Office
Level 11, Central Plaza One
345 Queen St, Brisbane QLD 4000



OUR VISION

VISION STATEMENT

The Empire Theatres will be recognised by our stakeholders as a centre of excellence in practice, program and service.

MISSION STATEMENT

We aim to be recognised as the focal point for the professional presentation of arts, entertainment and corporate events within the region.

GOALS AND OBJECTIVES

Programming

Provide equitable community access that maximises the use of venues and culturally diverse activities that reflect the needs and wants of the community.

Strategic Development

Develop processes for fostering audiences and community involvement in the activities of the Empire Theatres.

Corporate Governance

Provide excellence in management of the Theatres' operations, accountable to the people of the Toowoomba Region.

Communication

Strengthen customer focus, communication and promotion of the Empire Theatres.

EMPIRE THEATRES PTY LTD BOARD & STAFF LISTS

AS AT 30 JUNE 2014

BOARD OF DIRECTORS OF EMPIRE THEATRES PTY LTD

Chairman:	Professor Peter Swannell AM
Deputy Chair:	Mrs Sheena Liley
Company Secretary:	Mr Mervyn Bond (resigned 1 July 2013) Mr T. William Armagnacq (appointed 16 July 2013)
Mr Richard Chiverrell	Mrs Janelle Davis
Mr Andrew Wielandt	Mr Mark O'Connell
Ms Melissa Taylor	Mr Ross Miller

TRUSTEES OF THE EMPIRE THEATRES FOUNDATION

Chair:	Mrs Sheena Liley
Mrs Janelle Davis	Mr Mervyn Bond (resigned 1 July 2013)
Dr Kate Foy	Mrs Carol James
Mr David Janetzki	Mr Richard Chiverrell
Mr Matt Cherry	Mr Tom Sullivan (resigned 24 October 2013)
Dr Sharyn Donaldson (appointed 23 January 2014)	

STAFF

General Manager	Kerry Saul
Deputy General Manager & Administration Manager	Helen Oldham
Events Manager	Margaret Turnbull
Technical Manager	Timothy Panitz
Projects Manager	Jeanette Wedmaier
Marketing Manager	Geoff Thompson
Youth Arts Facilitator	Ari Palani
Head of Audio	Steve Alexander
Marketing Coordinators	Liana Cantarutti
	Sarah Fleming
Management Support Officer & Foundation Officer	Deanne Nairn
Accountant	Anthony Nunn
Finance Officer	Alison Murrell
Theatre Technicians	Robert Darvall
	Shane Howarth-Crewdson
	Adam Speedie
Events Coordinator	Tegan Hamilton

CASUAL STAFF

Box Office: Brayden Hess	Events: Sheriden Wright	Technicians: Jessica Schutt
Sally Oldham		Matthew Skerman
Kerry Politch		Kris Stewart
Ora Whitley		Ben Hunt

Approximately 40 other casual staff are employed in the technical and bar service areas. Around 270 active volunteer members of the Friends of the Empire Theatres Inc. perform duties including front of house, ushering, ticket collecting, marketing mail outs, flower arranging, biscuit baking and other services.



Professor Peter Swannell AM - Chairman

Peter Swannell is a Professor Emeritus and former Vice-Chancellor and President of the University of Southern Queensland (USQ). He is a Director of Heritage Bank, a former Chairman of The Queensland Museum and a former board member of The Queensland Orchestra. He is a Fellow of the Institution of Engineers Australia and holds degrees from USQ, Bristol University and Birmingham University. Prof Swannell is a Centenary Medallist and is a Member of the Order of Australia.



Mrs Sheena Liley - Deputy Chair

Sheena Liley is a retired lawyer and holds degrees in Arts and Law (honours) from the University of Queensland and Queensland University of Technology respectively. She has served as a Director of Empire Theatres since inception, as Deputy Chair from 2007 and chaired the Board's Programme Review Committee since 2004. She is also a Trustee of the Empire Theatres Foundation and was appointed its Chair in July 2011. A member of several community reference groups and the executive of Toowoomba Branch of Save the Children since 1996, she sings with a local ensemble and has always been involved in the performing arts.



Mr T. William Armagnacq - Company Secretary

Bill Armagnacq is the Company Secretary/ Assistant Chief Executive Officer of Heritage Bank Limited. He joined the Board of Empire Theatres in July 2013 and is also the Company Secretary and a member of the Audit & Finance Committee. He is currently the Chair of the Glennie School Council and the Toowoomba Committee of the Australian Institute of Company Directors. He is a current member and former president of The Rotary Club of Toowoomba Inc. He has served as a Director or Committee member of a number of companies and not for profit organisations. Bill is a Fellow of the Institute of Chartered Accountants and the Australian Institute of Company Directors.



Mrs Janelle Davis

Janelle graduated from the University of Southern Queensland with a Bachelor of Creative Arts, majoring in Voice. A teaching career spanning 20 years, Janelle is currently on staff at Toowoomba Preparatory School, Toowoomba Grammar and Dance Central in the capacity of Voice and Piano teacher. Janelle has worked on many of the Empire Theatres productions as a Vocal Coach and Choral Conductor.



Mr Richard Chiverrell

Richard Chiverrell has recently retired from being engaged as a senior architect and project manager with Project Services, and before that in private practice with Project Strategies & Solutions Pty Ltd. Most of his professional life has been involved with medical facilities specialising in Scientific Health Services, Forensic Facilities, Aged Care and Multi-Purpose Health Facilities for Queensland Health in outback areas.



Mr Ross Miller

Ross Miller was born and educated in Toowoomba. Ross worked for Queensland Trustees for 10 years before moving into the investment advisory industry, later managing a sharebroking firm.

In the early 1970's Ross was involved in several businesses both local & national.

During the 1980's he was involved with the management of the Carnival of Flowers. Ross served as an alderman of Toowoomba City Council from 1982 to 1991, then Mayor 1993-1996. As Mayor he was instrumental in the decision to refurbish the Empire Theatre during his time on Council.



Mr Mark O'Connell

Mark O'Connell joined the Department of Defence in 2010 and currently is responsible for the day to day management of the three military bases on the Darling Downs. Born and educated in Toowoomba, prior to his current role Mr O'Connell spent the last 18 years with a Multinational Wine & Spirits company working in Brisbane, Sydney and The Americas, with the last four years as Managing Director - Australia. He is also a member of the Lions Club of Toowoomba West.



Ms Melissa Taylor

Melissa completed a Bachelor of Business at USQ with a double major in Economics and Government. Melissa joined Taylor's Removals and Storage in 2004, fourth generation of the family involved in the business and is now Managing Director. Melissa's other Board appointment includes the Transport & Logistics Workforce Advisory Committee for the State Government.



Mr Andrew Wielandt

Andrew is the managing partner for Toowoomba based wealth management and wealth protection business, Dornbusch Partners. His community engagement includes being President of the Toowoomba Chamber of Commerce & Industry, Deputy Chair of the Toowoomba Hospital Foundation and serving on the board of Empire Theatres. He is an Associate Fellow of the Australian Institute of Management.



Mrs Sheena Liley - Chair

Sheena Liley is a retired lawyer and holds degrees in Arts and Law (honours) from the University of Queensland and Queensland University of Technology respectively. She has served as a Director of Empire Theatres since inception, as Deputy Chair from 2007 and chaired the Board's Programme Review Committee since 2004. She is also a Trustee of the Empire Theatres Foundation and was appointed its Chair in July 2011. A member of several community reference groups and the executive of Toowoomba Branch of Save the Children since 1996, she sings with a local ensemble and has always been involved in the performing arts.



Mr David Janetzki - Deputy Chairman

Mr Janetzki is Heritage Bank's Head of Legal and Governance and has previously worked in senior positions for the Manpower Group in London and national law firm Corrs Chambers Westgarth. He holds economics and law (honours) degrees from the University of Queensland and an A.Mus.A (piano). David is Deputy Chairman of the Empire Theatres Foundation and was recently appointed to the Board of Opera Queensland.



Mr Richard Chiverrell

Richard Chiverrell has recently retired from being engaged as a senior architect and project manager with Project Services, and before that in private practice with Project Strategies & Solutions Pty Ltd. Most of his professional life has been involved with medical facilities specialising in Scientific Health Services, Forensic Facilities, Aged Care and Multi-Purpose Health Facilities for Queensland Health in outback areas.



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Janelle graduated from the University of Southern Queensland with a Bachelor of Creative Arts, majoring in Voice. A teaching career spanning 20 years, Janelle is currently on staff at Toowoomba Preparatory School, Toowoomba Grammar and Dance Central in the capacity of Voice and Piano teacher. Janelle has worked on many of the Empire Theatres productions as a Vocal Coach and Choral Conductor.



Dr Kate Foy

Kate Foy's career has been in the Australian theatre and higher education sectors. She has appeared in over 40 professional productions for Queensland Theatre Company, Twelfth Night, New England Theatre Company and for La Boite Theatre Company. Kate was the inaugural producer of USQ's Shakespeare in the Park Festival and has an extensive production biography in university theatre. Her most recent production was Into the Woods for the Musical Theatre Department, Queensland Conservatorium Griffith University where she currently teaches acting.

Kate also works professionally as an actor, director, and voice-over artist. As a theatre advocate she has served as Chairman of the Board Queensland Theatre Company, as a Director on the Board of Empire Theatres, and currently serves as a Trustee of the Empire Theatre Foundation.



Mrs Carol James

Carol was formerly a secondary school languages teacher and educational administrator. She graduated from the University of Tasmania with a Bachelor of Arts and subsequently gained a Diploma of Education from Monash University. She has taught in Tasmania, Victoria, Japan, England and Queensland and was deputy principal at Harristown State High School for ten years. Mrs. James enjoys volunteering with the Friends of the Empire Theatre and at Cobb + Co Museum.



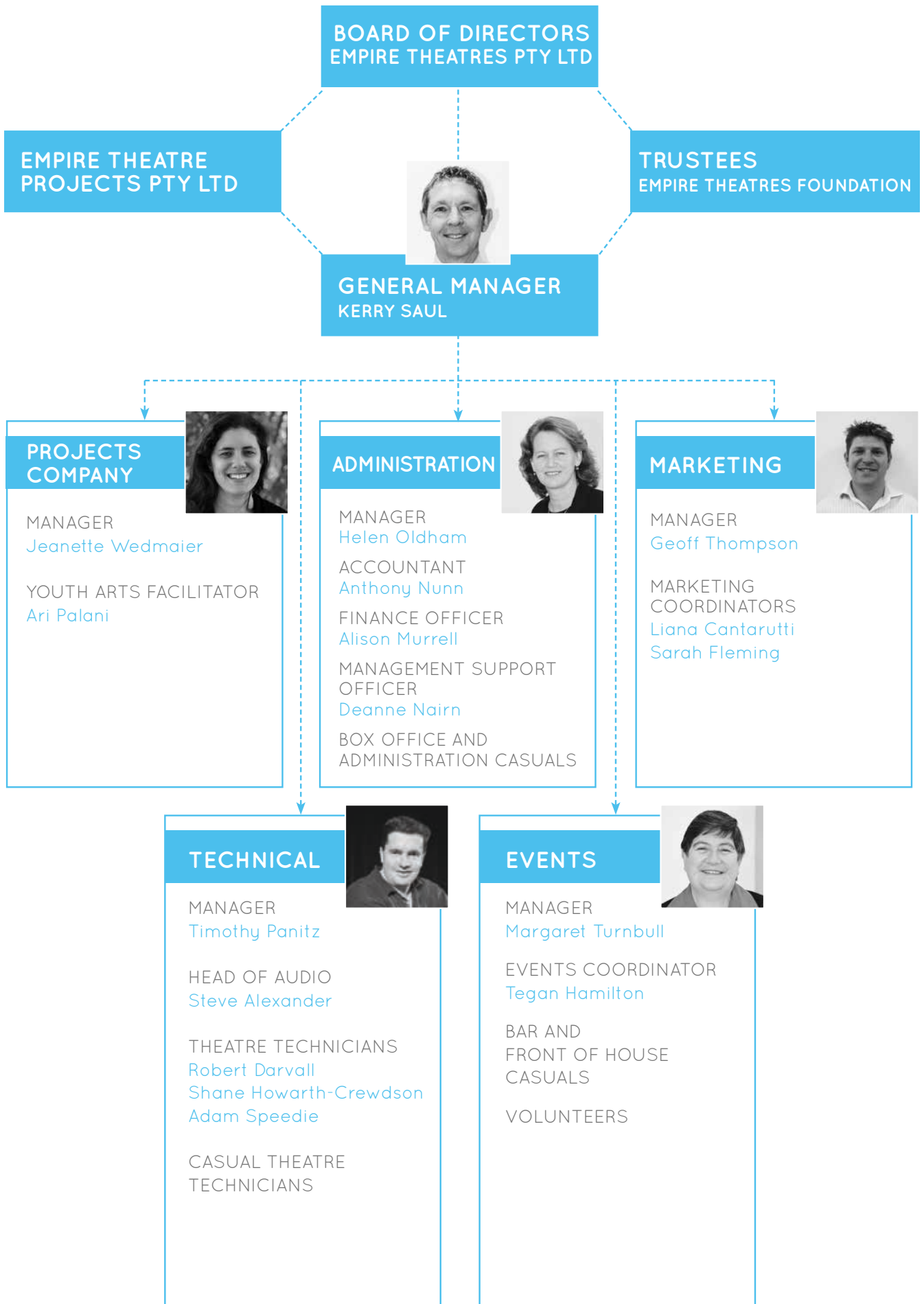
Mr Matt Cherry

Matt Cherry was born and raised in Toowoomba, attending Centenary Heights and USQ. He has over 15 years in public practice and two years with a multi-national company as a tax accountant. In 2008 he entered a partnership in Horizon Accounting Group and has enjoyed the challenges that owning a business brings. Matt is a member of the Toowoomba Golf Club and treasurer of the Toowoomba Choral Society production's committee.



Sharyn Donaldson

Sharyn Donaldson joined the Empire Theatres Foundation Trustees in 2014. She is the owner of The Sauce Kitchen, a kitchen shop and cooking school in downtown Toowoomba. With a background in medicine, she continues to practice at the Diagnostic Breast Clinic at St Andrews Hospital. She has been involved in the arts all her life, and brings enthusiasm and expertise to the Trustees, particularly in the discipline of dance.



The Empire Theatres Foundation was launched in August 2003 by its patron, Mr Geoffrey Rush.

It has three main objectives:

- To provide performing arts opportunities to further the cultural experiences of Toowoomba’s youth
- To promote the performing arts for the benefit of the local community
- To preserve the moveable cultural heritage associated with the Empire Theatres.

The Empire Theatres Foundation is a registered Deductible Gift Recipient (DGR) under the Australian Tax Office (ATO) Income Tax assessment regulations 1997.

The Empire Theatres Foundation gratefully acknowledges the generous donations from the following people during the 2013-2014 financial year:

FOUNDATION DONORS

Ian & Lynn Sharpe

Mrs D McTaggart

Ri Barclay

2013 – 2014 Foundation Sponsors as at 30 June 2014

Corporate sector support is critical, not only to program delivery, but also to the cultural dividends achievable for the community to Toowoomba and the Darling Downs.

The Empire Theatres Foundation gratefully acknowledges the generous contributions of our corporate partners during the 2013-2014 financial year:



Geoffrey Rush
PATRON



Gina Jeffreys
FELLOW



Judy Morris
FELLOW



Shane Worthington
FELLOW



SPECIAL THANKS FROM THE GENERAL MANAGER

Shortly after the end of the financial year we have been able to open Toowoomba's newest venue the Armitage Centre, within the Empire Theatres precinct. With a relatively short four year period from conception to reality, our local community, our fundraising committee, our Empire team and our various sectors of government have provided a fantastic outcome for our region. The Armitage Centre is now in use and is being widely praised.

Thank you to all our donors over the period and to those who continue to commit future pledges to the project. In particular, I praise and thank the fundraising committee of Clive Armitage, David Snow, Natalie Foster, Maryanne Wheatley and Sheena Liley for their efforts in raising \$1.7 million.

Mr Kerry Saul
General Manager

ARMITAGE CENTRE MAJOR DONORS:

MAJOR DONORS

Clive and Conchita Armitage
Trevor and Donald Burstow
Wippells Auto
Trevor and Judith St Baker
Geoffrey Rush
Empire Theatres Foundation

Friends of The Empire Theatre
Andrew and Helen Tilly (Tilly's Crawler Parts)
Heritage Bank
University of Southern Queensland
Hutchinson Builders

OTHER 2013-2014 DONORS

Alpine Refrigeration
Mark & Meredith Rawlings
Garrett Fitzgerald
TW Armagnacq
KD & AJ Saul

Mary-Ann Wheatley
Paul & Judy Antonio
Natalie Foster
Hutchinson Builders
Beris Broderick

Andrew Wielandt
Mark & Merideth Rawlings
Wippells Auto's
Peter Snow & Co Real Estate
Beris Broderick

CHAIRMAN'S REPORT

I am pleased to report that our theatres have enjoyed another year of financial and artistic success. Under the expert operational guidance of General Manager Kerry Saul, we have continued to increase the diversity of our programs. We have maintained our commitment to achieving high quality outcomes both on-stage and in many business and community events.

Our Heads of Department have provided expert leadership in their specialist areas of responsibility. Their teamwork and their willingness to support each other in times of exceptional workloads are defining characteristics of the work environment at the Empire. Their ability to marshal the resources of permanent and casual staff has been critical in satisfying the demands of a very full program of on-stage, meetings and functions events.

The Board is very aware of the evolving nature of the organisation in recent years. It has received good advice from the General Manager in such areas as the Youth Theatre, the educational programs and the ever-growing diversity of the Theatres' offerings.

The Board has responded to these changes, carefully monitoring them and encouraging growth, especially within the Projects Company and its outreach to new audiences. The Board is greatly encouraged by the participation of young people as well as by our traditional 'slightly older' patrons whose support is no less welcome.

It is essential that the Theatres strive to build audiences from across the region and across age-groups while maintaining the highest quality in all aspects of our business. With the completion of our third on-site venue, the Toowoomba Regional Arts and Cultural Centre (TRACC), on schedule and near to budget, we have arguably the best performance and functions capability in regional Australia.

I invite you to read the detailed Financial Statements for 2013/2014. They record a very successful business outcome for the main company, for Empire Theatre Projects Pty Ltd and hence also for the controlled entity.

I congratulate all who have contributed to these results, including our Friends of the Empire who continue to provide remarkable in-kind and monetary support to the Company. The Friends are the life-blood of the Empire and are indispensable contributors to our success.

You will notice the importance to our financial health of this year's major in-house production, "The Phantom of the Opera". It was a stunning artistic and financial success and I congratulate the entire production team. We are very lucky to have a pool



of amazing local talent both on stage and behind the scenes.

The construction of TRACC, and its subsequent naming as the Armitage Centre, will be seen as key moments in the development of our Neil Street complex.

The three venues will complement each other and the Board is immensely grateful to the many individuals and organisations, notably including our own Empire Theatre Foundation, whose contributions have made this possible.

As our owners, Toowoomba Regional Council (TRC) are aware, approximately \$1.7 million was raised by individuals and organisations in our region, facilitating construction of this major new Council asset.

I am similarly grateful for the provision of \$2 million to Council by the Federal Government through its regional development initiative. Any balance of construction costs are scheduled to be borne by Empire Theatres Pty Ltd out of future earned revenue.

It has been a busy, exciting and productive year. With the continuation of appropriate TRC support, I believe we have a very healthy 'three theatres' future.

I thank Deputy Chair Sheena Liley and our Board colleagues for their support and hard work throughout the year. It is a privilege to serve as their Chairman.

Peter Swannell

Professor Peter Swannell, AM

Chairman, Empire Theatres Pty Ltd

Chairman, Empire Theatre Projects Pty Ltd

CHAIR'S REPORT

The past year brought some changes to Foundation personnel. Trustee Tom Sullivan resigned in late 2013, after 10 years of dedicated service. We have been fortunate to have the support of someone of his calibre and professional experience over such a long period and I record my personal thanks to Tom. The Board approved the appointment of Dr Sharyn Donaldson to the resultant vacancy. Sharyn has a varied background in medicine and business with advanced training in dance and her commitment is much appreciated. Deanne Nairn served as Foundation Officer from August 2013, providing ready assistance and careful administration across a diverse portfolio. In January, Trustees congratulated Foundation Patron and supporter, Geoffrey Rush, when made a Companion of the Order of Australia and we celebrated when former Trustee, Merv Bond, was made a Life Member of the Theatre in April.

The core business of the Foundation continued apace through the year, with operational reviews further refining our processes and policies.

Twenty-four Youth Bursary awards were presented last October. A detailed review of this programme's operation was carried out in 2014 by Janelle Davis, Sharyn Donaldson and Kate Foy. Foundation funding also supported the 'Begin As You Wish to Continue' performance project which engaged local refugee secondary students.

The revised Brian Boak Bursary programme for Outstanding Performers is in place. Funding now covers an approved project, a report for publication and a local performance opportunity. Excellent applications from talented young Australians based around the world were considered and the Trustees were delighted to offer two Bursaries in 2014: to jazz saxophonist Angela Davis from Toowoomba (record and produce her second album in New York) and to Brisbane actor, Steven Rooke (training at the Stella Adler Academy, Los Angeles).

The Foundation's History programme attracted the donation of further significant items. These were deposited with our archive in the TRC's Local History Library and we acknowledge Council's valued assistance in this regard. Richard Chiverrell, Kate Foy and Carol James also reviewed the operations and processes of the History programme.

Promotion of the Foundation's programmes through social media and arts websites reaches many in our target audience. This process was boosted when our Facebook page was launched in late 2013, with Kate Foy, Deanne Nairn and Empire Marketing staff contributing their talents. The Foundation's DGR status continued to play a crucial role in attracting public donations for the TRACC project. A major



donor to the project, the Foundation will continue to supervise fund management and disbursement for the next few years as pledge commitments are honoured.

The Foundation's work could not be possible without the support of our generous sponsors and donors. Trustees' challenges are being felt nationally: how to put Foundation funds to the best possible use; how to enlarge our funding base while limiting administration costs.

I thank all Trustees, especially Deputy Chair David Janetzki, for their skills, time and care. The joy and practical support given to funding recipients brings great satisfaction to us all. General Manager Kerry Saul, his staff and the Board are always strong supporters. Together, we look forward to another successful year ahead.

Sheena Liley

Mrs Sheena Liley

Chair

Empire Theatres Foundation

GENERAL MANAGER'S REPORT

Empire Theatres Pty Ltd achieved a significant operating surplus for the 2013/2014 financial year and received an unqualified audit result.

2013/14 provided many highlights for the Theatre. Our major community musical production, *The Phantom Of The Opera*, exceeded our very high expectations. Over 9700 patrons attended, with Heritage Bank continuing their excellent support as our presenting partner. More than 85,000 people paid to see a performance in one of our venues during the period, 19% more than the previous year. 10,000 children attended shows specifically for them. *Charley Pride* and *The Seekers* sold out. The eisteddfod had approximately 8500 attendances not counting the participants. Our functions and events business continued to run successfully over the past year, although it was impacted by the high usage level of the venues for performance based activity.

The Empire Theatre Projects Company completed its fifth year of operation with Projects Manager Jeanette Wedmaier and Ari Palani successfully steering the company through the period and obtaining a programs and projects grant from Arts Queensland. Our level of community engagement through workshops, youth arts, social engagement, and holiday programs both locally and regionally has continued to increase in size and number.

There are many people who contribute to the success of the Empire Theatre and I thank the Board, and particularly the Chairman for the continuing support of myself and our staff.

I would also like to thank our staff, for their committed support and enthusiasm. In particular I thank Deputy General Manager Helen Oldham, Technical Manager Timothy Panitz, Projects Manager Jeanette Wedmaier, Events Manager Margaret Turnbull and Marketing Manager Geoff Thompson. Also a special thank you to our talented and hardworking marketing, technical and finance teams, who make this a truly amazing place to work. I also acknowledge the great contribution and support that the Mayor, Councillors and Officers of Toowoomba Regional Council provide. I acknowledge and thank our growing list of supporters and donors, who provide financial and enthusiastic support for the arts in our region. I thank the Friends of the Empire Theatre for their professionalism and continued commitment to make The Empire a warm and welcoming place.



During the 2013-14 year we continued our efforts, in association with Toowoomba Regional Council, to realise the Toowoomba Regional Arts and Community Centre, now known as the Armitage Centre, and as you are aware, it is a reality. I pay particular thanks to the TRACC Fundraising Committee for their highly successful efforts in raising \$1.7 million during the campaign.

Empire Theatres continues to be a vibrant and exciting part of Toowoomba's cultural landscape and I thank all of those who support and strive to enhance our position in this wonderful community and region.

Kerry Saul

Mr Kerry Saul

General Manager

Empire Theatres Pty Ltd

Empire Theatre Projects Pty Ltd

Empire Theatres Foundation

PRESIDENT'S REPORT

The Friends of the Empire Theatre serve the Empire Theatre as volunteers, reporters, journalists, fund raisers and general good-will messengers and although we don't set the world on fire, that's not our job. I congratulate all members of our association on the roles they play and thank them for the quality of service.

Our membership is healthy. At the end of financial year we numbered 555 members, of which 200 actively took part in volunteer duties of various types. The Front of House volunteers are the ones in the public eye but there are many unseen people donating their time and expertise in mail-out duties, baking, catering and various other pursuits. I extend my appreciation to all.

Our catering team, headed up by Leonie Cusack, Marj Dunn and Irene Russell were again prominent during the Morning Melodies series, the regular conference afternoon teas, as well as the provision of lunches for cast and crew at this year's production of "Phantom of the Opera". I acknowledge the wonderful efforts of the band of bakers, who magically make the goods appear on cue. The catering team also made a successful entry into the food canteen business during the Toowoomba Eisteddfod.

After a conservative approach to donations to Theatre Services in the past two years, we were pleased to begin our financial assistance to the TRACC project. I am pleased to report a donation of \$59,751 as direct assistance to the provision of the sprung floor in the Heritage Bank Auditorium. Other donations financed children's booster seats and dry ice fog machines. The donated total reached \$76,000.

The Friends also donated \$1000 to the Empire Theatres Foundation, taking our accumulated donations, since inception, to \$591,228.41

As recognition, all members can be proud of the "footpath star" installed in the newly completed precinct acknowledging our association as a significant donor to the TRACC Project.

Two of our members also donated time and effort in the construction of three elegant looking racks to store the booster seats. I acknowledge Keith Hoffman and Terry Gaske for a fine result.



The Friends also forwarded several items of archival material to the Toowoomba Regional Council's History Museum for proper cataloguing and storage.

I would like to take this opportunity to thank our office bearers, Secretary Richard Chiverrell, Treasurer Gay Jorgensen and Vice President Neil Geddes as well as the entire management committee. I acknowledge the efforts of Noreen Pauli in her work with membership records and as mailout convenor.

I extend our sincere appreciation to ...

- The Toowoomba Regional Council for allowing us to live our passion, and, the sponsorship of our insurance policy.
- Prof. Peter Swannell and his Board of Management.
- Mr Kerry Saul and his Management team.
- Mrs Mary-Lou Coorey for her auditing services.

It has been my privilege to be part of another year of achievement. I wish all a prosperous year ahead.

Colin Muller

Mr Colin Muller OAM

President

Friends of the Empire Theatre Inc.

EMPIRE THEATRES' BUSINESS PARTNERS

The Empire Theatres' Business Partners are like-minded organisations with a shared commitment towards quality, innovation and inspiration in delivering their own customer focused performance within our community. These mutually beneficial partnerships enable the Empire Theatre to expand its programming diversity.

Performance Partners



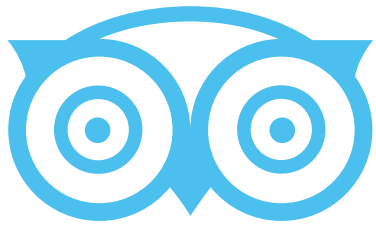
Government Partners



Media Partners



2013 – 2014 OVERVIEW



2014 WINNER

TRIP ADVISOR
CERTIFICATE OF
EXCELLENCE

OVER **16,500** People receive our weekly E-Newsletter

HIGHEST NOTE SUNG BY CHRISTINE IN THE PHANTOM OF THE OPERA **E6**

19% INCREASE IN TOTAL ATTENDANCE ON LAST FINANCIAL YEAR

22,000

TOTAL HOURS WORKED TO CREATE THE PHANTOM OF THE OPERA

10,092

 KILOMETRES TRAVELLED

for regional classes and engagement

728

 YOUTH ARTS STUDENTS IN WORKSHOPS ACROSS 6 REGIONS

MORE THAN **14,000**

attended a function at the Empire Theatre

2303

Total capacity of Empire Theatres performance spaces

Funding attracted from outside sources for Projects events

\$108,350

2013 – 2014 OVERVIEW

3 Number of times Marketing Department and Projects Company have relocated this financial year

APPROXIMATELY
114,660
INDIVIDUAL
MALTESERS
SOLD IN 2013 -2014

4555

MORE PATRONS SAW A POPULAR MUSIC SHOW THIS YEAR COMPARED TO LAST YEAR

TOTAL ATTENDANCE

9775

at The Phantom of the Opera (highest ever selling production)

CHILDREN'S TICKETS PURCHASED
10,352



68%

increase in Facebook likers

Number of Available seats to Charley Pride **0**

ATTENDANCE OF VENUE HIRED PRODUCTIONS

27%



INCREASE ON LAST YEAR

NUMBER OF EMPIRE CARDS issued

635

123,999

TOTAL AUDIENCE ATTENDANCE

EISTEDDFOD SESSIONS **120**

ATTENDANCE OF EMPIRE THEATRE PRODUCTIONS

15.7%

INCREASE ON LAST YEAR

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EMPIRE THEATRES PTY LTD

& CONTROLLED ENTITY

ABN 83 086 482 288

FINANCIAL STATEMENTS

For the year ended 30 June 2014

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

Financial Statements
For the year ended 30 June 2014

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EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

DIRECTORS' REPORT

Your Directors present their report on the company and its controlled entity for the year ended 30 June 2014.

Directors

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

Prof P Swannell AM (Chairman)
 Mrs S Liley (Deputy Chair)
 Mr W Armagnacq (appointed 16 July 2013)
 Mr R Miller
 Ms M Taylor
 Mr A Wielandt
 Mr R Chiverrell
 Mr M O'Connell
 Mrs J Davis
 Mr M Bond (resigned 1 July 2013)

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 the consolidated group has been to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with Toowoomba Regional Council.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Review of Operations

The consolidated profit of the group for the financial year ended 30 June 2014 was \$226,942 (2013: \$55,135 loss). The group donated non-current assets to the value of \$16,685 (2013: \$21,327) to the Toowoomba Regional Council. The consolidated group is exempt from income tax.

A review of the operations of the group during the financial year shows the results of those operations as follows:

- Community Service Obligation subsidies from the Toowoomba Regional Council totalled \$1,123,689 (2013: \$1,109,101) during the financial year.
- Gross income from Productions for the financial year totalled \$414,714 (2013: \$382,282), whilst gross income from Hires and Functions totalled \$1,299,483 (2013: \$1,197,212).
- Hires and Functions generated net income of \$584,117 (2013: \$509,699) during the financial year, whilst Productions generated net income of \$39,269 (2013: \$5,862).

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

DIRECTORS' REPORT

Dividends

No ordinary dividend was recommended or paid during the year (2013: \$nil) .

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the consolidated group.

Proceedings on Behalf of consolidated group

No person has applied for leave of court to bring proceedings on behalf of the consolidated group or intervene in any proceedings to which the consolidated group is a party for the purpose of taking responsibility on behalf of the consolidated group for all or any part of those proceedings.

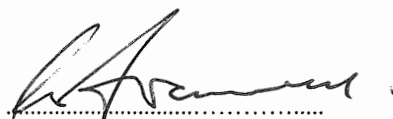
The consolidated group was not a party to any such proceedings during the year.

Auditor's Independence Declaration

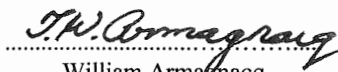
A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

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

22nd August 2014
Toowoomba



Peter Swannell AM
Chairman



William Armagnacq
Director

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Empire Theatres Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence Declaration

As lead auditor for the audit of Empire Theatres Pty Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.


D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated		Company	
		2014 \$	2013 \$	2014 \$	2013 \$
Income from Continuing Operations					
Revenue	2	2,826,097	2,353,038	2,319,061	2,001,321
Other revenue	2	<u>1,295,871</u>	<u>1,220,964</u>	<u>1,180,525</u>	<u>1,178,131</u>
Total Income from Continuing Operations		<u>4,121,968</u>	<u>3,574,002</u>	<u>3,499,586</u>	<u>3,179,452</u>
Expenses from Continuing Operations					
Cost of sales		(1,642,047)	(1,511,466)	(1,284,402)	(1,219,475)
Marketing expenses		(244,760)	(258,540)	(239,999)	(239,677)
Occupancy expenses		(420,000)	(420,000)	(420,000)	(420,000)
Administration expenses		(947,470)	(903,385)	(872,127)	(783,789)
Buildings maintenance expenses		(448,480)	(369,643)	(448,480)	(369,643)
Other expenses		<u>(192,269)</u>	<u>(166,103)</u>	<u>(152,433)</u>	<u>(130,713)</u>
Total Expenses from Continuing Operations		<u>(3,895,026)</u>	<u>(3,629,137)</u>	<u>(3,417,441)</u>	<u>(3,163,297)</u>
Operating Result for the Year		<u>226,942</u>	<u>(55,135)</u>	<u>82,145</u>	<u>16,155</u>
Profit / (loss) attributable to members of the entity		<u>226,942</u>	<u>(55,135)</u>	<u>82,145</u>	<u>16,155</u>
Total comprehensive income attributable to members of the entity		<u>226,942</u>	<u>(55,135)</u>	<u>82,145</u>	<u>16,155</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	Consolidated		Company	
		2014 \$	2013 \$	2014 \$	2013 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	1,828,008	1,310,186	1,748,508	1,285,466
Trade and other receivables	6 (a)	149,096	105,265	147,601	105,265
Inventories	7	14,498	13,317	14,498	13,317
TOTAL CURRENT ASSETS		<u>1,991,602</u>	<u>1,428,768</u>	<u>1,910,607</u>	<u>1,404,048</u>
NON-CURRENT ASSETS					
Trade and other receivables	6 (b)	-	-	39,223	128,664
Investments	8	-	-	1	1
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>-</u>	<u>39,224</u>	<u>128,665</u>
TOTAL ASSETS		<u>1,991,602</u>	<u>1,428,768</u>	<u>1,949,831</u>	<u>1,532,713</u>
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	9	997,279	671,475	991,951	667,066
Short term provisions	10	135,761	113,884	135,761	113,884
TOTAL CURRENT LIABILITIES		<u>1,133,040</u>	<u>785,359</u>	<u>1,127,712</u>	<u>780,950</u>
NON-CURRENT LIABILITIES					
Long-term provisions	10	19,953	31,742	19,953	31,742
TOTAL NON-CURRENT LIABILITIES		<u>19,953</u>	<u>31,742</u>	<u>19,953</u>	<u>31,742</u>
TOTAL LIABILITIES		<u>1,152,993</u>	<u>817,101</u>	<u>1,147,665</u>	<u>812,692</u>
NET ASSETS		<u>\$ 838,609</u>	<u>\$ 611,667</u>	<u>\$ 802,166</u>	<u>\$ 720,021</u>
EQUITY					
Contributed equity	13	1	1	1	1
Accumulated surplus		838,608	611,666	802,165	720,020
TOTAL EQUITY		<u>\$ 838,609</u>	<u>\$ 611,667</u>	<u>\$ 802,166</u>	<u>\$ 720,021</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Contributed Equity	Accumulated surplus	Total
<i>Consolidated</i>				
Balance at 1 July 2012		1	666,801	666,802
Comprehensive income				
Operating result from continuing operations		-	(55,135)	(55,135)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(55,135)	(55,135)
Balance at 30 June 2013		1	611,666	611,667
Comprehensive income				
Operating result from continuing operations		-	226,942	226,942
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	226,942	226,942
Dividends paid		-	-	-
Balance at 30 June 2014		1	838,608	838,609
<i>Company</i>				
Balance at 1 July 2012		1	703,865	703,866
Comprehensive income				
Operating result from continuing operations		-	16,155	16,155
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	16,155	16,155
Dividends paid		-	-	-
Balance at 30 June 2013		1	720,020	720,021
Comprehensive income				
Operating result from continuing operations		-	82,145	82,145
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	82,145	82,145
Dividends paid		-	-	-
Balance at 30 June 2014		1	802,165	802,166

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Consolidated		Company	
		2014	2013	2014	2013
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		3,384,307	2,651,429	2,716,810	2,202,906
Community service obligations received		1,236,058	1,220,011	1,236,058	1,220,011
Payments to suppliers and employees		(4,160,527)	(4,071,898)	(3,546,662)	(3,557,256)
Interest received		57,984	67,399	56,836	66,530
		<u>517,822</u>	<u>(133,059)</u>	<u>463,042</u>	<u>(67,809)</u>
Net cash provided by / (used in) operating activities		517,822	(133,059)	463,042	(67,809)
Net increase/(decrease) in cash held		517,822	(133,059)	463,042	(67,809)
Cash and cash equivalents at the beginning of the financial year		<u>1,310,186</u>	<u>1,443,245</u>	<u>1,285,466</u>	<u>1,353,275</u>
Cash and cash equivalents at the end of the financial year	5	<u>\$ 1,828,008</u>	<u>\$ 1,310,186</u>	<u>\$ 1,748,508</u>	<u>\$ 1,285,466</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

The financial statements cover the consolidated financial statements and notes of Empire Theatres Pty Ltd and the controlled entity ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Empire Theatres Pty Ltd as an individual parent entity ('Parent Entity').

Note 1: Summary of Significant Accounting Policies

Objectives and Principal Activities of the Company

We aim to be recognised as the focal point for the professional presentation of arts, entertainment and corporate events within the region.

Basis of Preparation

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Empire Theatres Pty Ltd at the end of the reporting period. A controlled entity is any entity over which Empire Theatres Pty Ltd has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. Empire Theatre Projects Pty Ltd was incorporated on 5th March 2009, and has been the only controlled entity of Empire Theatres Pty Ltd from this date.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the equity section of the consolidated statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(b) Income Tax

The group has been advised by the Australian Taxation Office that it is exempt from income tax.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value on the first in first out basis.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(d) Property, Plant & Equipment

In accordance with Empire Theatres Policy, all items of non-technical property, plant and equipment valued in excess of \$5,000 vest in the Toowoomba Regional Council. Items of technical property, plant and equipment valued in excess of \$3,000 vest in Toowoomba Regional Council. All items under the disclosed amounts are expensed in the year in which they are purchased.

All other items of property, plant and equipment are treated as an expense in the year of acquisition.

(e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(f) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the group becomes party to the contractual provisions of the financial instrument.

Classification and subsequent measurement

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through profit and loss
- Receivables - held at amortised cost
- Payables - held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

The financial statements are presented in Australian Dollars.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The group does not enter into, or trade with, such instruments for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the group holds no financial assets classified at fair value through profit and loss.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(h) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Employee Benefits

Provision is made for the group's liability for employee benefits arising from services rendered by employees to balance sheet date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

(k) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred for periods longer than one year is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods (such as merchandise and drinks) is recognised upon delivery of goods to customers.

Revenue from the Rendering of services is recognised when the function has been completed.

Revenue from Productions is recognised when the performance has been completed.

Revenue from Community Service Obligations is recognised on a time proportional basis throughout the year.

Interest revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax (GST).

(l) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the group during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(m) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

The directors believe that all receivables will be collected in full, and therefore no provision for impairment has been made.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing, which are disclosed as operating cash flows.

(o) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. There are no key estimates.

(p) New and Revised Accounting Standards

The group did not voluntarily change any of its accounting policies during the year ended 30 June 2014. Australian Accounting Standard changes applicable for the first time as from 2013-14 that have not had a significant impact on the group's financial statements are described below.

A revised version of AASB 119 Employee Benefits became effective for reporting periods beginning on or after 1 January 2013. The most significant implication for the group is that the revised accounting standard includes changed criteria for accounting for employee benefits as 'short-term employee benefits'. As a result, any class of employee benefit not expected to be wholly settled within 12 months after the reporting date is to be accounted for as 'other long-term employee benefits'.

Other potential implications arising from the revised AASB 119 were the revised concept of 'termination benefits' and the revised recognition criteria for termination benefit liabilities. If any termination benefit obligations meet the AASB 119 timeframe for 'short-term employee benefits', they will be measured according to the requirements for 'short-term employee benefits'. Otherwise, termination benefits need to be measured according to the requirements for 'other long-term employee benefits'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(p) New and Revised Accounting Standards (continued)

AASB 1053 Application of Tiers of Australian Accounting Standards applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements - Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053, The directors have decided to adopt Tier 2 requirements for their general purpose financial statements. The directors have decided at Toowoomba Regional Council's request to voluntarily adopt AASB 1053 earlier than its effective date. The Company has elected to apply AASB 1053 as from the reporting period 1 July 2013 to 30 June 2014.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated		Company	
	2014	2013	2014	2013
	\$	\$	\$	\$
Note 2: Revenue				
Sales revenue				
Sale of goods	218,562	130,012	218,562	130,012
Rendering of services	2,192,821	1,840,744	1,685,785	1,489,027
Productions	414,714	382,282	414,714	382,282
	<u>2,826,097</u>	<u>2,353,038</u>	<u>2,319,061</u>	<u>2,001,321</u>
Other revenue				
Interest revenue	57,984	67,399	56,836	66,530
Community Service Obligation - Toowoomba Regional Council	1,123,689	1,109,101	1,123,689	1,109,101
Grants and subsidies	73,000	5,000	-	-
Sponsorships	30,000	36,964	-	-
Other revenue	11,198	2,500	-	2,500
	<u>1,295,871</u>	<u>1,220,964</u>	<u>1,180,525</u>	<u>1,178,131</u>
Total Revenue	<u><u>\$ 4,121,968</u></u>	<u><u>\$ 3,574,002</u></u>	<u><u>\$ 3,499,586</u></u>	<u><u>\$ 3,179,452</u></u>

Note 3: Auditor Remuneration

Remuneration of the auditor	<u><u>\$ 20,100</u></u>	<u><u>\$ 20,100</u></u>	<u><u>\$ 16,200</u></u>	<u><u>\$ 16,200</u></u>
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Note 4: Employee Expenses, Key Management Personnel and Remuneration Expenses

(a) Employee Benefits				
Wages & Salaries	1,302,754	1,238,491	1,302,754	1,238,491
Annual Leave Expense	53,531	82,151	53,531	82,151
Employer Superannuation Contributions	123,749	124,709	123,749	124,709
Long Service Leave Expense	-	2,769	-	2,769
Other Employee Benefits	40,922	48,991	40,922	48,991
Employee Related Expenses				
Workers' compensation premium	13,683	13,105	13,683	13,105
Payroll tax	23,344	23,745	23,344	23,745
Other employee related expenses	-	-	-	-
Total	<u><u>\$ 1,557,983</u></u>	<u><u>\$ 1,533,961</u></u>	<u><u>\$ 1,557,983</u></u>	<u><u>\$ 1,533,961</u></u>
	2014	2013	2014	2013

The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a fulltime equivalent basis is:

17	18	17	18
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EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated		Company	
	2014	2013	2014	2013
	\$	\$	\$	\$
Note 4: Employee Expenses , Key Management Personnel and Remuneration Expenses (continued)				
(b) Key Management Personnel				
The totals of remuneration paid to key management personnel (KMP) of the group during the year are as follows:				
Short-term employee benefits	<u>454,597</u>	<u>460,739</u>	<u>454,597</u>	<u>460,739</u>
Short-term employee benefits comprise salaries & wages, superannuation and bonus payments.				
The aggregate performance bonuses expensed in respect of all key management personnel are as follows:				
	<u>\$ 14,900</u>	<u>\$ 12,900</u>	<u>\$ 14,900</u>	<u>\$ 12,900</u>

Note 5: Cash and Cash Equivalents

Cash on hand	5,631	5,631	5,631	5,631
Cash at bank	897,277	579,455	817,777	554,735
Short term notes	25,100	25,100	25,100	25,100
Short term deposit	900,000	700,000	900,000	700,000
	<u>\$ 1,828,008</u>	<u>\$ 1,310,186</u>	<u>\$ 1,748,508</u>	<u>\$ 1,285,466</u>

Note 6: Trade And Other Receivables

(a) Current

Trade receivables	<u>\$ 149,096</u>	<u>\$ 105,265</u>	<u>\$ 147,601</u>	<u>\$ 105,265</u>
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(b) Non Current

Related Parties				
- Empire Theatre Projects Pty Ltd	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,223</u>	<u>\$ 128,664</u>

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	Consolidated		Company	
	2014	2013	2014	2013
	\$	\$	\$	\$
Note 7: Inventories				
Bar Stocks - at cost	<u>\$ 14,498</u>	<u>\$ 13,317</u>	<u>\$ 14,498</u>	<u>\$ 13,317</u>
Note 8: Investments				
Empire Theatre Projects Pty Ltd	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
This company is a wholly owned subsidiary of Empire Theatres Pty Ltd				
Note 9: Trade and Other Payables - Current				
Unsecured Liabilities				
Trade payables	304,020	100,385	304,020	100,385
Security deposits - hires	91,378	88,662	91,378	88,662
Box office ticket prepayments	352,018	291,099	352,018	291,099
Sundry payables and accrued expenses	168,525	138,051	163,197	133,642
Employee benefits	<u>81,338</u>	<u>53,278</u>	<u>81,338</u>	<u>53,278</u>
	<u>\$ 997,279</u>	<u>\$ 671,475</u>	<u>\$ 991,951</u>	<u>\$ 667,066</u>
Note 10: Accrued Employee Benefits				
Employee Benefits				
Opening balance at 1 July 2013	145,626	122,784	145,626	122,784
Additional provisions	10,088	22,842	10,088	22,842
Amounts used	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 30 June 2014	<u>\$ 155,714</u>	<u>\$ 145,626</u>	<u>\$ 155,714</u>	<u>\$ 145,626</u>
Analysis of provisions				
Current	135,761	113,884	135,761	113,884
Non-current	<u>19,953</u>	<u>31,742</u>	<u>19,953</u>	<u>31,742</u>
	<u>\$ 155,714</u>	<u>\$ 145,626</u>	<u>\$ 155,714</u>	<u>\$ 145,626</u>

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Consolidated		Company	
2014	2013	2014	2013
\$	\$	\$	\$

Note 11: Remuneration And Retirement Benefits

Key Management Personnel

Remuneration received or receivable by all Directors of the company from the company or any related party in connection with the management of the company

\$	21,313	\$	22,000	\$	21,313	\$	22,000
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The names of Directors who have held office during the financial year:

Peter Swannell AM (Chairman)
Sheena Liley (Deputy Chair)
William Armagnacq (appointed 16 July 2013)
Ross Miller
Melissa Taylor
Andrew Wielandt
Richard Chiverrell
Janelle Davis
Mark O'Connell
Mervyn Bond (Company Secretary) (resigned 1 July 2013)

Note 12: Contingent Liabilities and Contingent Assets

There were no known material contingent liabilities or contingent assets at balance sheet date.

Note 13: Contributed Equity

1 (2013: 1) fully paid ordinary share	\$	1	\$	1	\$	1	\$	1
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The group has authorised share capital amounting to 1 ordinary share of no par value.

Note 14: Events After the Reporting Period

The Directors are not aware of any events after the balance sheet date that will have a material impact on this financial report.

Note 15: Company Details

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

Empire Theatre
56 Neil Street
Toowoomba Qld 4350

The principal activity of the group is to develop, foster, maintain and provide facilities for all kinds of artistic expression in the Performing Arts, pursuant to the Operating Agreement with the Toowoomba Regional Council.

EMPIRE THEATRES PTY LTD & CONTROLLED ENTITY
ABN 83 086 482 288

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Empire Theatres Pty Ltd, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 16, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards, and the Corporations Regulation 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

22nd August 2014
Toowoomba



Peter Swannell AM
Chairman



William Armagnacq
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Empire Theatres Pty Ltd

Report on the Financial Report

I have audited the accompanying financial report of Empire Theatres Pty Ltd, which comprises the statements of financial position as at 30 June 2014, the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company and the consolidated entity comprising the company and the entity it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

In conducting the audit, the independence requirements of the *Corporations Act 2001* have been complied with. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Empire Theatres Pty Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In my opinion –

- (a) the financial report of Empire Theatres Pty Ltd is in accordance with the *Corporations Act 2001*, including –
- (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2014 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.


D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane



EMPIRE THEATRES FOUNDATION

ABN 69 130 487 365

FINANCIAL STATEMENTS

For the year ended 30 June 2014

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

Financial Statements
For the year ended 30 June 2014

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EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Income from Continuing Operations			
Revenue	2	<u>93,528</u>	<u>103,803</u>
Total Income from Continuing Operations		<u>93,528</u>	<u>103,803</u>
Expenses from Continuing Operations			
Administration expenses		(4,948)	(15,394)
Bursary expenses		(14,058)	(3,150)
Course expenses		(11,668)	(16,301)
Other expenses		<u>(2,000)</u>	<u>(15)</u>
Total Expenses from Continuing Operations		<u>(32,674)</u>	<u>(34,860)</u>
Operating Result for the Year		<u>\$ 60,854</u>	<u>\$ 68,944</u>
Operating result attributable to the Foundation		<u>\$ 60,854</u>	<u>\$ 68,944</u>
Total comprehensive income attributable to the Foundation		<u>\$ 60,854</u>	<u>\$ 68,944</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash assets	7	1,629,384	1,313,457
Trade and other receivables	4	<u>82,617</u>	<u>6,150</u>
TOTAL CURRENT ASSETS		<u>1,712,001</u>	<u>1,319,607</u>
TOTAL ASSETS		<u>1,712,001</u>	<u>1,319,607</u>
CURRENT LIABILITIES			
Trade and other payables	5	<u>1,067,652</u>	<u>736,112</u>
TOTAL CURRENT LIABILITIES		<u>1,067,652</u>	<u>736,112</u>
TOTAL LIABILITIES		<u>1,067,652</u>	<u>736,112</u>
NET ASSETS		<u>\$ 644,349</u>	<u>\$ 583,495</u>
EQUITY			
Accumulated surplus		<u>644,349</u>	<u>583,495</u>
TOTAL EQUITY		<u>\$ 644,349</u>	<u>\$ 583,495</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2012	514,551	514,551
Comprehensive income		
Operating result from continuing operations	68,944	68,944
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>68,944</u>	<u>68,944</u>
Balance at 30 June 2013	<u>\$ 583,495</u>	<u>\$ 583,495</u>
Comprehensive income		
Operating result from continuing operations	60,854	60,854
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>60,854</u>	<u>60,854</u>
Balance at 30 June 2014	<u>\$ 644,349</u>	<u>\$ 644,349</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, sponsorships and raffles		43,533	51,936
Receipts from grants		2,200	2,200
Interest received		41,245	46,517
Payments for courses, travel and accommodation, hospitality and sponsorships		<u>(32,880)</u>	<u>(25,356)</u>
Net cash provided by / (used in) operating activities		<u>54,098</u>	<u>75,297</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
TRACC building funds received		<u>261,829</u>	<u>575,500</u>
Net cash provided by investing activities		<u>261,829</u>	<u>575,500</u>
Net increase in cash held		315,927	650,797
Cash at the beginning of the financial year		<u>1,313,457</u>	<u>662,660</u>
Cash at the end of the financial year	7	<u>\$ 1,629,384</u>	<u>\$ 1,313,457</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

The financial statements cover the Empire Theatres Foundation as an individual entity.

Note 1

Objective and Principle Activity of the the Foundation

- 1 Provide performing arts opportunities to further the cultural experiences and professional development of young people nationally with connections to the Toowoomba Region where appropriate;**
- 2 Promote the performing arts for the benefit of the local community**
- 3 To preserve and promote the movable cultural heritage associated with the Empire Theatres.**

Basis of Preparation

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

Toowoomba Regional Arts and Community Centre (TRACC)

The Foundation supports the construction of the Toowoomba Regional Arts and Community Centre as it meets the objectives of the Foundation. Funds raised to support the project are held by the Foundation on behalf of donors and sponsors.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with the Trust Deed as amended 28 April 2014 and Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations. The financial statements are presented in Australian Dollars.

With respect to compliance with Australian Accounting Standards and Interpretations, the Foundation has applied those requirements applicable to not-for-profit entities, as the Foundation is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

Summary of Significant Accounting Policies

(a) Income Tax

The Foundation has been advised by the Australian Taxation Office that it is exempt from income tax. The Foundation is registered charitable organisation for tax purposes.

(b) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less.

(c) Revenue and Other Income

Interest revenue is recognised when received.

Donation and Sponsorship revenue is recognised when received.

TRACC Funds raised to support the project are held by the Foundation on behalf of donors and sponsors and future receipts as agreed with Toowoomba Regional Council will be paid quarterly.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing, which are disclosed as operating cash flows.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(e) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Foundation during the reporting period that remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(f) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(g) New and Revised Accounting Standards

AASB 1053 Application of Tiers of Australian Accounting Standards applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements - Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053, the Foundation Directors have decided at Toowoomba Regional Council's request to adopt Tier 2 requirements for their general purpose financial statements.

On this basis, key disclosures the Foundation no longer needs to include are:

- most of the disclosures about fair value measurement required under AASB 13;
- many of the disclosures required in relation to financial instruments, particularly all disclosures that convey information about the various risks the Foundation is exposed to from its financial instruments;
- the disclosure in this note regarding the expected implications for the Foundation of Australian Accounting Standards and Interpretations that have been issued but are not yet effective;
- a Statement of Financial Position as at the beginning of the earliest comparative period, if an accounting policy is applied retrospectively, if a retrospective restatement of items is made in the financial statements, or if an item is reclassified in the financial statements;
- the reconciliation of the Foundation's operating result to its net cash from operating activities.

(h) Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Foundation becomes a party to the contractual provisions to the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position

The Foundation does not enter into, or trade with, such instruments for speculative purposes, nor for hedging.

Apart from cash and cash equivalents, the group holds no financial assets classified at fair value through profit and loss.

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 2: Revenue

	2014	2013
	\$	\$
Other revenue		
Donations	2,010	4,440
Sponsorships	50,273	50,818
Interest	41,245	46,517
Grant income	-	2,000
Other revenue	-	28
Total Revenue	<u>\$ 93,528</u>	<u>\$ 103,803</u>

Note 3: Auditor Remuneration

Remuneration of the auditor - auditing the financial report	<u>\$ 2,800</u>	<u>\$ 2,600</u>
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Note 4: Trade and Other Receivables - current

Trade receivables	<u>\$ 82,617</u>	<u>\$ 6,150</u>
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Note 5: Trade and Other Payables

Current		
Unsecured Liabilities		
TRACC building account	1,052,316	720,570
Sundry creditors and accruals	<u>15,336</u>	<u>15,543</u>
	<u>\$ 1,067,652</u>	<u>\$ 736,112</u>

Note 6: Key Management Personnel

Remuneration received or receivable by all Trustees of the Foundation.	<u>\$ -</u>	<u>\$ 3,083</u>
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Empire Theatres Pty Ltd has decided remuneration to be paid to the Trustees of Empire Theatres Foundation will be paid by Empire Theatres Pty. Ltd. for the 2013/14 financial year.

The names of Trustees who have held office during the financial year:

Mrs Sheena Liley (Chairperson)
Mr Tom Sullivan (resigned 24 October 2013)
Dr Kathryn Foy
Mr David Janetzki
Mrs Janelle Davis
Mrs Carol James
Mr Matthew Cherry
Mr Richard Chiverrell
Dr Sharyn Donaldson (appointed 23 January 2014)

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Note 7: Cash and Cash Equivalents		
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:		
- Cash at bank	399,384	168,457
- Short term deposits	<u>1,230,000</u>	<u>1,145,000</u>
	<u>\$ 1,629,384</u>	<u>\$ 1,313,457</u>

Short term deposits were invested at an interest rate of 3.65%

Note 8: Events After the Balance Date

A payment to Toowoomba Regional Council for \$1,100,000 was made on the 18th of July 2014 being for payment of the TRACC Donations.

Note 9: Related Party Transactions

The Foundation's operations are governed by Empire Theatres Pty Ltd, but it is not a controlled entity of Empire Theatres Pty Ltd.

Note 10: Foundation Details

The principal place of business of the Foundation is:

Empire Theatre
 56 Neil Street
 Toowoomba Qld 4350

EMPIRE THEATRES FOUNDATION
ABN 69 130 487 365

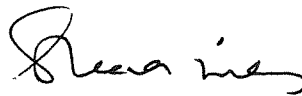
TRUSTEES' CERTIFICATE

The Trustees of the Foundation declare that:

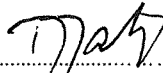
1. The financial statements and notes, as set out on pages 1 to 8 present fairly the Foundation's financial position as at 30 June 2014 and its performance for the year ended 30 June 2014 are in accordance with Empire Theatre Foundation Trust Deed as amended 28 April 2014 and Australian Accounting Standards - Reduced Disclosure Requirements; and
2. In the Trustees' opinion, subject to ongoing financial support from Empire Theatres Pty Ltd, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Trustees.

2nd September 2014
Toowoomba



Sheena Liley
Chairperson



David Janetzki
Trustee

INDEPENDENT AUDITOR'S REPORT

To the Trustee and Members of Empire Theatres Foundation

Report on the Financial Report

I have audited the accompanying financial report of Empire Theatres Foundation, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Trustees.

The Trustee's Responsibility for the Financial Report

The trustee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the requirements of the trust deed of Empire Theatres Foundation as amended 28 April 2014. The trustee's responsibility also includes such internal control as the trustee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

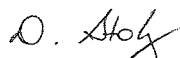
Opinion

In accordance with the provisions of the trust deed of Empire Theatres Foundation as amended 28 April 2014, I have audited the financial report of Empire Theatres Foundation, and

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion, the financial report presents fairly, in all material respects, the financial position of Empire Theatres Foundation as at 30 June 2014, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane



EMPIRE THEATRE PROJECTS PTY LTD

ABN 61 135 705 878

FINANCIAL STATEMENTS
For the year ended 30 June 2014

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

Financial Statements
For the year ended 30 June 2014

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EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

DIRECTORS' REPORT

Your Directors present their report on the company for the year ended 30 June 2014:

Directors

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

Peter Swannell AM (Chairman)
Andrew Wielandt
Ross Miller

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

Principal Activities

The company was established to increase the breadth and depth of the community's connection with the performing arts in the Toowoomba Regional Council area.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the company during the financial year.

Review of Operations

The operating result for the year ended 30 June 2014 was a gain of \$144,797 (2013: \$71,291 loss). The company is exempt from income tax.

A review of the operations of the company during the financial year and the results of those operations are as follows:

- Gross income from box office and entry fees for the financial year totalled \$492,200 (2013: \$337,652).

Events Subsequent to the End of the Reporting Period

Since the end of the financial year, no matters or circumstances have arisen which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Likely Developments and Expected Results of Operations

The future operations of the company are expected to relate to the principal activity outlined above.

Indemnification of Officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

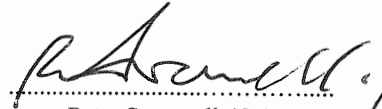
DIRECTORS' REPORT

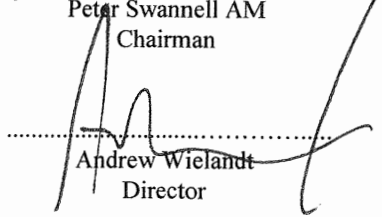
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

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

22nd August 2014
Toowoomba


.....
Peter Swannell AM
Chairman


.....
Andrew Wielandt
Director

AUDITOR'S INDEPENDENCE DECLARATION

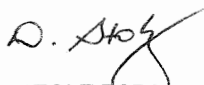
To the Directors of Empire Theatre Projects Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence Declaration

As lead auditor for the audit of Empire Theatre Projects Pty Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been –

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



D A STOLZ FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Income from Continuing Operations			
Revenue	2	507,036	351,717
Other revenue	2	<u>115,346</u>	<u>42,833</u>
Total Income from Continuing Operations		<u>622,382</u>	<u>394,550</u>
Expenses from Continuing Operations			
Cost of sales		(357,645)	(291,991)
Marketing expenses		(4,761)	(18,863)
Administration expenses		(75,343)	(119,597)
Other expenses		<u>(39,836)</u>	<u>(35,390)</u>
Total Expenses from Continuing Operations		<u>(477,585)</u>	<u>(465,841)</u>
Operating Result for the Year		<u>144,797</u>	<u>(71,291)</u>
Profit/(loss) attributable to members of the entity		<u>144,797</u>	<u>(71,291)</u>
Total comprehensive income/(expenditure) attributable to members of the entity		<u>144,797</u>	<u>(71,291)</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	79,500	24,720
Trade and other receivables	4	1,495	-
TOTAL CURRENT ASSETS		<u>80,995</u>	<u>24,720</u>
TOTAL ASSETS		<u>80,995</u>	<u>24,720</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5 (a)	5,328	4,409
TOTAL CURRENT LIABILITIES		<u>5,328</u>	<u>4,409</u>
NON-CURRENT LIABILITIES			
Trade and other payables	5 (b)	39,223	128,664
TOTAL NON-CURRENT LIABILITIES		<u>39,223</u>	<u>128,664</u>
TOTAL LIABILITIES		<u>44,551</u>	<u>133,073</u>
NET ASSETS (LIABILITIES)		<u>36,444</u>	<u>(108,353)</u>
EQUITY			
Contributed equity	9	1	1
Accumulated surplus (deficit)		36,443	(108,354)
TOTAL EQUITY		<u>36,444</u>	<u>(108,353)</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Contributed Equity \$	Accumulated Surplus \$	Total \$
Balance at 30 June 2012	<u>1</u>	<u>(37,063)</u>	<u>(37,062)</u>
Comprehensive income / (expenditure)			
Operating result from continuing operations	-	(71,291)	(71,291)
Other comprehensive income for the year	-	-	-
Total comprehensive expenditure for the year	<u>-</u>	<u>(71,291)</u>	<u>(71,291)</u>
Balance at 30 June 2013	<u>1</u>	<u>(108,354)</u>	<u>(108,353)</u>
Comprehensive income			
Operating result from continuing operations	-	144,797	144,797
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	<u>-</u>	<u>144,797</u>	<u>144,797</u>
Balance at 30 June 2014	<u>1</u>	<u>36,443</u>	<u>36,444</u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		667,497	448,523
Payments to suppliers and employees		(613,865)	(514,642)
Interest received		<u>1,148</u>	<u>869</u>
Net (decrease)/increase in cash held		<u>54,780</u>	<u>(65,250)</u>
Cash at the beginning of the financial year		<u>24,720</u>	<u>89,970</u>
Cash at the end of the financial year	8	<u><u>79,500</u></u>	<u><u>24,720</u></u>

The accompanying notes form part of these financial statements.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

The financial statements cover the Empire Theatre Projects Pty Ltd as an individual entity.

Objectives and Principal Activities of the Company

To provide outstanding Arts experiences in southern regional Queensland contexts whilst maintaining sustainable business practices.

Basis of Preparation

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations.

The financial statements are presented in Australian Dollars.

With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

Note 1: Summary of Significant Accounting Policies

- (a) **Going Concern**
The company is dependent upon continued funding from Empire Theatres Pty Ltd to ensure that the entity can continue to operate as a going concern. Empire Theatres Pty Ltd has agreed to provide ongoing financial support to ensure the company can meet its debts as they fall due.
- (b) **Income Tax**
The company is wholly owned by Empire Theatres Pty Ltd, which is exempt from income tax. Accordingly, the company is also exempt from income tax.
- (c) **Leases**
Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.
- (d) **Financial Instruments**

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the company becomes party to the contractual provisions of the financial instrument.

Classification and subsequent measurement

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through profit and loss
- Receivables - held at amortised cost
- Payables - held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The company does not enter into, or trade with, such instruments for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the company holds no financial assets classified at fair value through profit and loss.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(e) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, the impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(g) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(h) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Revenue from Box office & entry fees is recognised when the performance has been completed.

Revenue from Fees and services is recognised when the performance has been completed.

Revenue from Grants and subsidies is recognised when the company obtains control of the grant or subsidy or the right to receive the grant or subsidy, it is probable that the economic benefits comprising the grant or subsidy will flow to the company, and the grant or subsidy can be reliably measured.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(h) Revenue and Other Income (continued)

Revenue from the sale of merchandise is recognised upon delivery of goods to customers.

Interest revenue is recognised when received.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing, which are disclosed as operating cash flows.

(l) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company. There are no key estimates. The Directors believe that all receivables will be collected in full, and therefore no provision for impairment has been made.

(m) Comparative Figures

When required by Accounting Standards, comparative figures are adjusted to conform to changes in presentation for the current financial year.

No comparative figures were amended in the current year.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 1: Summary of Significant Accounting Policies (continued)

(n) New and Revised Accounting Standards

AASB 1053 Application of Tiers of Australian Accounting Standards applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two Tiers of reporting requirements - Australian Accounting Standards (commonly referred to as 'Tier 1'), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as 'Tier 2'). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the Tier 1 and Tier 2 requirements is that Tier 2 requires fewer disclosures than Tier 1.

Pursuant to AASB 1053, The directors have decided to adopt Tier 2 requirements for their general purpose financial statements. The directors have decided at Toowoomba Regional Council's request to voluntarily adopt AASB 1053 earlier than its effective date. The Company has elected to apply AASB 1053 as from the reporting period 1 July 2013 to 30 June 2014.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Note 2: Revenue		
Operating activities		
Box office & entry fee revenue	492,200	337,652
Merchandise sales	14,836	9,065
Fees and services	-	5,000
	507,036	351,717
Other revenue		
Interest	1,148	869
Grants and subsidies	73,000	5,000
Sponsorships	30,000	36,964
Other revenue	11,198	-
	115,346	42,833
Total Revenue	622,382	394,550
 Note 3: Auditor Remuneration		
Auditor Remuneration	3,900	3,900
 Note 4: Trade And Other Receivables		
Trade receivables	1,495	-
Less: Provision for impairment	-	-
	1,495	-
<p>The company does not have any material credit risk exposure to any single receivable or group of receivables.</p>		
 Note 5: Trade and Other Payables		
<u>(a) Current</u>		
Unsecured Liabilities		
Related Party Creditors - Empire Theatres Pty Ltd	-	-
Sundry payables and accrued expenses	5,328	4,409
	5,328	4,409
 <u>(b) Non Current</u>		
Unsecured Liabilities		
Related Party Creditors - Empire Theatres Pty Ltd	39,223	128,664
	39,223	128,664

QAO
certified statements

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Note 6: Key Management Personnel		
<u>Remuneration of Directors</u>		
Empire Theatres Pty Ltd has decided remuneration to be paid to the Director's of Empire Theatre Projects will be paid by Empire Theatres Pty Ltd for the 2013/14 financial year.	-	-
	<u> </u>	<u> </u>
The names of Directors who have held office during the financial year:		
Peter Swannell AM (Chairman)		
Ross Miller		
Andrew Wielandt		

Note 7: Contingent Liabilities and Contingent Assets

There were no known material contingent liabilities or contingent assets at balance date.

Note 8: Cash and Cash Equivalents

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:

- Cash at bank	<u>79,500</u>	<u>24,720</u>
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Note 9: Contributed Equity

1 fully paid ordinary share	<u>1</u>	<u>1</u>
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The company has authorised share capital amounting to 1 ordinary share of no par value.

Note 10: Related Party Transactions

The company is wholly owned by Empire Theatres Pty Ltd, which in turn is wholly owned by the Toowoomba Regional Council.

Note 11: Events After the Reporting Period

The Directors are not aware of any events after the balance date that will have a material impact on this financial report.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Note 12: Economic Dependence

Empire Theatres Pty Ltd is committed to the ongoing support of the company. This ensures that the company is a going concern.

Note 13: Company Details

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

Empire Theatre
56 Neil Street
Toowoomba Qld 4350

Empire Theatres Pty Ltd established the Projects Company to increase the breadth and depth of the community's connection with the performing arts in the Toowoomba Regional Council area.

EMPIRE THEATRE PROJECTS PTY LTD
ABN 61 135 705 878

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Empire Theatre Projects Pty Ltd, the directors declare that:

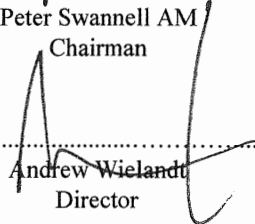
1. The financial statements and notes, as set out on pages 4 to 14, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards, and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

22nd August 2014
Toowoomba



Peter Swannell AM
Chairman



Andrew Wielandt
Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Empire Theatre Projects Pty Ltd

Report on the Financial Report

I have audited the accompanying financial report of Empire Theatre Projects Pty Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

In conducting the audit, the independence requirements of the *Corporations Act 2001* have been complied with. I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Empire Theatre Projects Pty Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

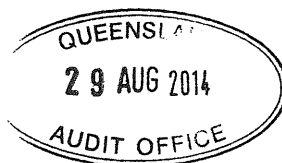
Opinion

In my opinion, the financial report of Empire Theatre Projects Pty Ltd is in accordance with the *Corporations Act 2001*, including –

- (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



D. Stolz
 D A STOLZ FCPA
 (as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
 Brisbane





ANNUAL GENERAL MEETING
MONDAY 27 OCTOBER 2014

56 Neil Street, Toowoomba Qld 4350