

Arts Access Society Inc
Trading as Arts Access Victoria

ABN 34 192 751 897

Financial Statements

For the Year Ended 31 December 2023

Arts Access Society Inc

ABN 34 192 751 897

Contents

For the Year Ended 31 December 2023

	Page
Financial Statements	
Board Report	1
Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012	4
Statement of Profit or Loss	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	25
Independent Audit Report	26

Arts Access Society Inc

ABN 34 192 751 897

Board's Report

For the Year Ended 31 December 2023

Our board members presently report on the incorporated association for the financial year ended 31 December 2023.

Members of The Board

Members of the board throughout the year-end at the date of this report are:

- Amanda Lawrie-Jones (Chair) (joined 24/04/2018, became Chair on 27/4/2021)
- Brad Sadler (joined board in 3/12/2015, Vice chair since 27/4/2021, ended role as vice chair on 2/5/2023)
- Nic Vogelpoel (vicechair) (joined in 23/03/2022, Vice Chair since 2/5/2023)
- Brooke Daly (vicechair) (joined in 23/03/2022, Vice Chair since 2/5/2023)
- Laura Purbrick (Treasurer) (joined and became Treasurer on 2022 5/04/2022)
- Jodi Nicks (joined on 23/03/2022)
- Sam Martin (joined on 23/03/2022)
- Erin Kanygin (joined 2/5/2023)
- Kate Board Observership 2023
- Will Board Observership 2023

Each board member has 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 Arts Access Victoria during the financial year was to lead transformational and systemic change that benefits all Deaf and Disabled people. To do this we ensure we are the leading force behind a more accessible arts and cultural sector. We produce and platform the work of Deaf and Disabled artists, arts workers and creatives.

The key issues that frame the development of our principal activity are:

- Challenging definitions of culture, so art produced by and with Deaf and Disabled people achieves greater recognition, support and appreciation
- Facilitating meaningful and sustainable career pathways for Deaf and Disabled artists and arts workers with the community and the arts and cultural sector
- Fostering the understanding and uptake of inclusive disability -led practices by the community arts and cultural development sector through rigorous evaluation and critique.

Objectives

The objectives of Arts Access Victoria are:

- To produce and present artistic work made by and with Deaf and Disabled artists that reflects the best contemporary and inclusive arts practices.
- To facilitate meaningful career pathways within the arts and cultural community for Deaf and Disabled artists.
- To transform the way the arts and cultural sector engages with Deaf and Disabled artists, as both practitioners and audiences.

Arts Access Society Inc

ABN 34 192 751 897

Board's Report

For the Year Ended 31 December 2023

Goals and Strategies

1. Define and build cultural equity for Deaf and Disabled people
 - Map, develop and nurture a culture of disability-led self-determination.
 - Recognise and cultivate creativity, talent and leadership.
 - Develop and deliver a world class disability-led artistic program to disrupt the status quo and demonstrate cultural equity in action.
2. Target and shift the barriers and conditions that maintain cultural inequity.
 - Identify and map cultural equity barriers and conditions for state-wide hybrid delivery.
 - Establish a disability-led public change narrative for the inclusion of diverse artistic and cultural assets made by Deaf and Disabled people.
 - Embed a disability-led creative exchange framework with strategic local, national and international partners.
3. Position AAV as a resilient and dynamic powerhouse to extend our role and impact.
 - Ensure Deaf and Disabled people have a voice and actively shape AAV's decision-making.
 - Proactively review, evaluate and adapt our program and service offer in response to changing needs.
 - Invest in personnel, technology and infrastructure.
 - Develop new and maximise existing nongovernment revenue streams in a post-pandemic economy

Arts Access Victoria measures its performance in achieving its objectives through setting quantitative annual targets.

These targets are created for:

- Programs
- Participants
- Accessible performances, exhibitions and screenings
- Workshops and seminars
- Partnerships
- Mentorships
- Training and professional development

These quantitative annual targets are reviewed to ensure that the organisation's objectives are achieved.

Operating Result

AAV completed the year with an operational deficit of \$316,437 due to income recognized in 2022 for projects related to 2023 according to the new audit and accounting standards and an overall deficit of \$202,847 due to an increase in our trust fund investment value by \$113,590.

AAV is still feeling the effects of COVID-19 with an impact to our NDIS funded activities, our NDIS reserves covered this deficit in

Arts Access Society Inc

ABN 34 192 751 897

Board's Report

For the Year Ended 31 December 2023

funds. We received State government funds that has allowed us to build our workforce and to continue running our programs and expanding activities. AAV has maintained its financial position.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required by the Associations Incorporation Reform Act 2012 and sections 60-40 of the Australian Charities and Not-for-profit Commission Act 2012 is included on page 4.

Signed in accordance with a resolution of the Members of the Board

Arts Access Society Inc

ABN 34 192 751 897

Auditor's Independence Declaration to the Directors of Arts Access Society Inc

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk

Jeffrey Tulk

Partner

Dated: 22 April 2024

Blackburn, Victoria

Arts Access Society Inc

ABN 34 192 751 897

Statement of Profit or Loss

For the Year Ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	4	2,201,129	3,193,326
Employee benefits expense		(1,813,365)	(1,729,558)
Depreciation and amortisation expense	5	(89,793)	(72,829)
Program cost		(331,860)	(787,471)
Marketing and communications		(37,844)	(20,090)
Infrastructure cost (Admin)		(289,888)	(302,069)
Interest expense - leases		(4,508)	(813)
Surplus/(deficit) from continuing operations		(366,129)	280,496
Investment activities:			
Interest & dividend income		49,692	15,933
Net gain/(loss) on financial assets - FVTPL		113,590	(65,540)
Gain/(loss) on investments		163,282	(49,607)
Surplus/(deficit) for the year		(202,847)	230,889
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(202,847)	230,889

The accompanying notes form part of these financial statements.

Arts Access Society Inc

ABN 34 192 751 897

Statement of Financial Position

As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,861,306	1,377,490
Trade and other receivables	7	70,661	27,646
Other assets	8	31,686	18,840
TOTAL CURRENT ASSETS		<u>1,963,653</u>	<u>1,423,976</u>
NON-CURRENT ASSETS			
Other financial assets	9	1,127,299	1,030,350
Property, plant and equipment	10	27,983	38,450
Intangible assets	11	38,449	76,197
Right-of-use assets	12	25,392	59,249
TOTAL NON-CURRENT ASSETS		<u>1,219,123</u>	<u>1,204,246</u>
TOTAL ASSETS		<u>3,182,776</u>	<u>2,628,222</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	212,654	232,747
Lease liabilities	12	26,187	33,427
Employee benefits	15	187,442	165,041
Income in advance	14	1,197,019	421,190
TOTAL CURRENT LIABILITIES		<u>1,623,302</u>	<u>852,405</u>
NON-CURRENT LIABILITIES			
Lease liabilities	12	-	26,187
Employee benefits	15	48,486	35,795
TOTAL NON-CURRENT LIABILITIES		<u>48,486</u>	<u>61,982</u>
TOTAL LIABILITIES		<u>1,671,788</u>	<u>914,387</u>
NET ASSETS		<u>1,510,988</u>	<u>1,713,835</u>
EQUITY			
Reserves	16	460,000	460,000
Retained earnings		1,050,988	1,253,835
TOTAL EQUITY		<u>1,510,988</u>	<u>1,713,835</u>

The accompanying notes form part of these financial statements.

Arts Access Society Inc

ABN 34 192 751 897

Statement of Changes in Equity

For the Year Ended 31 December 2023

2023

	Retained Earnings	Digital Transformation Reserve	NDIS Resilience Fund Reserve	COVID Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2023	1,253,835	75,000	285,000	100,000	1,713,835
Deficit for the year	(202,847)	-	-	-	(202,847)
Balance at 31 December 2023	1,050,988	75,000	285,000	100,000	1,510,988

2022

	Retained Earnings	Grant Reserve	Total
	\$	\$	\$
Balance at 1 January 2022	1,097,946	385,000	1,482,946
Surplus for the year	230,889	-	230,889
Transfers from retained earnings to grant reserve	(75,000)	75,000	-
Balance at 31 December 2022	1,253,835	460,000	1,713,835

The accompanying notes form part of these financial statements.

Arts Access Society Inc

ABN 34 192 751 897

Statement of Cash Flows

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and donors	1,643,502	690,302
Payments to suppliers and employees	(2,724,343)	(2,913,394)
Interest and dividends received	46,234	59,027
Grants received	1,542,930	2,306,754
Net cash provided by/(used in) operating activities	21 <u>508,323</u>	<u>142,689</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investment	41,000	36,000
Purchase of property, plant and equipment	(7,721)	(4,434)
Payment for investments	(24,359)	(54,538)
Net cash provided by/(used in) investing activities	<u>8,920</u>	<u>(22,972)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	(33,427)	(8,099)
Net cash provided by/(used in) financing activities	<u>(33,427)</u>	<u>(8,099)</u>
Net increase/(decrease) in cash and cash equivalents held	483,816	111,618
Cash and cash equivalents at beginning of year	1,377,490	1,265,872
Cash and cash equivalents at end of financial year	6 <u>1,861,306</u>	<u>1,377,490</u>

The accompanying notes form part of these financial statements.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

The financial report covers Arts Access Society Inc as an individual entity. Arts Access Society Inc is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year was to realise the cultural aspirations of people with a disability, by presenting work that challenges and extends notions of who is an artist, how art is made and who it is made for. The key issues that frame the development of our principal activity are:

- The right of all citizens to realise cultural aspirations, free from barriers, as artists, audiences and arts workers;
- The building of the creative case for inclusive practice, which positions artists with a disability as valued creators and innovators with unique and compelling stories to tell; and
- The development and growth of processes and outcomes associated with inclusive arts practice through rigorous evaluation and critique.

The functional and presentation currency of Arts Access Society Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure and the *Australian Charities and Not-for-profits Commission Act 2012*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Material Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any material financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts.

Operating Grants, Donations and Bequests

When the Association receives operating grant funding, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Capital Grant

When the Association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions) recognised under other Australian Accounting Standards.

The Association recognises income in profit or loss when or as the Association satisfies its obligations under terms of the grant.

Dividend income

The Association recognises dividends in profit or loss only when the Association's right to receive payment of the dividend is established.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Interest income

Interest income is recognised using the effective interest method.

(b) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for materially less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(d) Property, plant and equipment

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Computer and Equipment	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(e) Financial instruments

Financial assets

provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased materially since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a material increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(e) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced material increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(g) Intangible assets

Website and computer software

Websites and computer software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of five years.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, investments of less than 3 months and demand deposits which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Leases

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Material Accounting Policies

(j) Employee benefits

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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. Cashflows are discounted using market yields on corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(k) Economic dependence

Arts Access Society Inc is dependent is economically dependent on Commonwealth, State and Local Government grant funding and philanthropic grant funding. If funds are not spent in accordance with grant conditions, grants can be reclaimed in full or part and future funds can be suspended. The entity is dependent on the continued receipt of grants.

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The material estimates and judgements made have been described below.

Key estimates - Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most material effect on revenue recognition.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

4 Revenue

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from government grants and other grants:		
- State government grant - Creative Victoria	376,525	970,004
- Creative Victoria - Accelerating Cultural Change Pilot Program	-	254,885
- Other state government grants	350,139	379,977
- Federal government grant - Australia Council for the Arts	582,710	491,590
- Other federal government grant	118,627	48,589
- Local government grant	109,929	186,105
- Other funding	5,000	66,000
	<u>1,542,930</u>	<u>2,397,150</u>
Other revenue		
- NDIS Participant income	461,055	534,305
- Activities income	185,343	237,511
- Donations	11,801	24,360
	<u>658,199</u>	<u>796,176</u>
Total other revenue	<u>658,199</u>	<u>796,176</u>
Total Revenue	<u>2,201,129</u>	<u>3,193,326</u>

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

5 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Other expenses:		
Employee benefit expenses:		
- Salary and wages	1,619,408	1,548,585
- Defined benefit contributions	167,215	160,440
- Other staff related expenses	26,742	20,533
Total employee benefit expenses	<u>1,813,365</u>	<u>1,729,558</u>
Depreciation & amortisation:		
- Depreciation - Plant and equipments	18,188	26,617
- Amortisation - Intangibles	37,748	37,748
- Depreciation - Leased buildings	33,857	8,464
Total depreciation & amortisation	<u>89,793</u>	<u>72,829</u>
Short term lease	-	24,686
Interest expense - leases	4,508	813
Auditor's remuneration:		
- Audit of the financial statements	13,600	12,800
- Other services	800	800
- Audit consulting fee	-	5,297
Total auditor's remuneration	<u>14,400</u>	<u>18,897</u>
6 Cash and Cash Equivalents		
Cash at bank and in hand	806,105	1,377,490
Short-term deposits	<u>1,055,201</u>	<u>-</u>
	<u>1,861,306</u>	<u>1,377,490</u>
7 Trade and Other Receivables		
CURRENT		
Trade receivables	67,203	27,646
Interest receivable	<u>3,458</u>	<u>-</u>
	<u>70,661</u>	<u>27,646</u>

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

8 Other assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	31,686	18,840
	<u>31,686</u>	<u>18,840</u>

9 Financial Assets

Financial assets at fair value through profit or loss

NON-CURRENT

Managed funds - Equity Trustees	1,127,299	1,030,350
	<u>1,127,299</u>	<u>1,030,350</u>

Art Access Victoria established a Perpetual Charitable Trust with the Victorian Community Foundation by deed on 12 July 1993 known as Arts Access Sub-Trust. The trust is maintained exclusively for providing benefits to Arts Access Victoria.

Starting from July 2023, the manage funds are held under the name of Equity Trustees Community Foundation.

10 Property, plant and equipment

PLANT AND EQUIPMENT

Motor vehicles

At cost	164,309	164,309
Accumulated depreciation	(164,308)	(164,308)
Total motor vehicles	<u>1</u>	<u>1</u>

Computer equipment

At cost	234,353	226,632
Accumulated depreciation	(206,371)	(188,183)
Total computer equipment	<u>27,982</u>	<u>38,449</u>
Total plant and equipment	<u>27,983</u>	<u>38,450</u>
Total property, plant and equipment	<u>27,983</u>	<u>38,450</u>

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

10 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

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

	Motor Vehicles	Computer equipment	Total
	\$	\$	\$
Year ended 31 December 2023			
Balance at the beginning of year	1	38,449	38,450
Additions	-	7,721	7,721
Depreciation expense	-	(18,188)	(18,188)
Balance at the end of the year	1	27,982	27,983

11 Intangible Assets

	2023	2022
	\$	\$
Website & computer software		
Cost	222,840	222,840
Accumulated amortisation and impairment	(184,391)	(146,643)
Total intangible assets	38,449	76,197

(a) Movements in carrying amounts of intangible assets

	Website & computer software	Total
	\$	\$
Year ended 31 December 2023		
Balance at the beginning of the year	76,197	76,197
Amortisation	(37,748)	(37,748)
Balance at the end of the year	38,449	38,449

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

12 Leases

Right-of-use assets

The Association's lease a building for a term of 2 years. There is no option to extend the lease under the current agreement.

	2023	2022
	\$	\$
At cost	67,713	67,713
Accumulated amortisation	(42,321)	(8,464)
Total	25,392	59,249

	Buildings	Total
	\$	\$
Year ended 31 December 2023		
Movements in carrying amount:		
Leased Building:		
Opening balance	59,249	59,249
Depreciation expense	(33,857)	(33,857)
Net carrying amount at year end	25,392	25,392

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2023					
Lease liabilities	26,736	-	-	26,736	26,187
2022					
Lease liabilities	35,648	26,736	-	62,384	59,614

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

13 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	134,743	144,302
Sundry payables and accrued expenses	77,911	88,445
	<u>212,654</u>	<u>232,747</u>

14 Income in Advance

CURRENT		
Australia Council funding received in advance	226,666	224,422
Auspice grant received in advance	116,288	122,308
Government grant received in advance	629,719	56,000
Victorian Health Maker Space income received in advance	206,346	-
Other fundings received in advance	18,000	18,460
	<u>1,197,019</u>	<u>421,190</u>

15 Employee Benefits

CURRENT		
Annual leave	136,744	137,690
Long service leave	50,698	27,351
	<u>187,442</u>	<u>165,041</u>
NON-CURRENT		
Long service leave	48,486	35,795
	<u>48,486</u>	<u>35,795</u>

16 Reserves

COVID Reserve

The purpose of this reserve is for any disruption of services due to any COVID-related concerns. This can involve having COVID, being a close contact and funding circumstances that have changed during the pandemic and has affected the delivery of services.

NDIS Resilience Reserve

The purpose of these funds are for any services funded through NDIS that require financial support.

Digital Transformation Fund Reserve

These funds are used for the provision of digitally based products and services that increase access and innovation for the staff and the community.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

17 Financial Risk Management

	2023	2022
	\$	\$
Financial assets		
Held at amortised cost:		
Cash and cash equivalents	1,861,306	1,377,490
Trade and other receivables	70,661	27,646
Fair value through profit or loss (FVTPL):		
Managed funds - Equity Trustees	1,127,299	1,030,350
Total financial assets	3,059,266	2,435,486
Financial liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	212,654	232,747
Lease liabilities	26,187	59,614
Total financial liabilities	238,841	292,361

18 Key Management Personnel Remuneration

The remuneration paid to key management personnel of the Association is \$ 354,024 (2022: \$ 351,201).

19 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 31 December 2023 (31 December 2022:None).

20 Related Parties

Key management personnel - refer to Note 18.

There were no material transactions with related parties other than remuneration to key management personnel. Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Board members are not remunerated.

Arts Access Society Inc

ABN 34 192 751 897

Notes to the Financial Statements

For the Year Ended 31 December 2023

21 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Surplus for the year	(202,847)	230,889
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	33,857	46,212
- depreciation	55,936	26,617
- net (gain)/loss on financial assets - FVTPL	(113,590)	65,540
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(43,015)	70,847
- (increase)/decrease in other assets	(12,846)	10,716
- increase/(decrease) in income in advance	775,829	(454,794)
- increase/(decrease) in trade and other payables	(20,093)	89,210
- increase/(decrease) in provisions	35,092	57,452
Cashflows from operations	<u>508,323</u>	<u>142,689</u>

22 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which materially affected or may materially affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

23 Statutory Information

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

Arts Access Society Inc
222 Bank Street
South Melbourne VIC 3125

Arts Access Society Inc


ABN 34 192 751 897

Directors' Declaration

The board of directors declare that in their opinion:

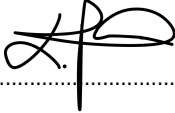
- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of Australian Accounting Standards - Simplified Disclosure; and the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Director 

Nicholas Vogelpoel

Dated

Director 

Laura Purbrick

18/04/2024

Arts Access Society Inc

Independent Audit Report to the members of Arts Access Society Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Arts Access Society Inc, which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion the financial report of Arts Access Society Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of Association's financial position as at 31 December 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosure and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Arts Access Society Inc

Independent Audit Report to the members of Arts Access Society Inc

Responsibilities of directors for the Financial Report

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

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

Those charged with governance are responsible for overseeing Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

Arts Access Society Inc

Independent Audit Report to the members of Arts Access Society Inc

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Saward Dawson



Jeffrey Tulk
Partner

Blackburn, Victoria
Dated: 22 April 2024