



Manager
Philanthropy and Exemptions Unit
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15 February 2013

Dear Sir/Madam

AMPAG would like to thank you for the opportunity to comment on the draft ACNC Regulation for financial reporting.

AMPAG, established in 1999, is the peak body for Australia's major performing arts companies and by default for the wider cross section of the subsidized small to medium performing arts industry. Our core membership comprises 28 not-for-profit companies ranging in size from Opera Australia and the Sydney Symphony Orchestra to mid-sized companies like Australian Chamber Orchestra and Queensland Theatre Company and smaller ones such as the West Australian Ballet and State Theatre Company of SA—see Appendix A.

Most of our member companies report on a calendar year basis. Some prepare special financial reports, as opposed to general financial reports, and some report against Reduced Disclosure Requirements—see Appendix B.

Our comments and queries about the requirements for annual financial reports follow.

1. All our members are deemed large registered entities, and therefore must provide audited financial reports. They currently provide such reports to the Australia Council. Will the requirement to provide these reports to the ACNC supersede their obligation to the Australia Council?
2. Our member companies already provide comprehensive reporting to the Australia Council—will the ACNC be consulting with them on the requirements of the annual information statement?
3. Will the reporting standards be automatically transferred from ASIC to the ACNC for individual companies—that is, will those that currently provide special reports, or that report against the Reduced Disclosure Requirements continue to do so? And will the few that currently prepare special financial reports continue to do so?
4. The entity responsible for lodging financial statements has previously been the Chief Financial Officer of our member companies (or equivalent). Will this continue to be the case?

5. Can the reporting (and timing of reporting) of FBT be simplified—and will it also be transferred to the ACNC?
6. Some of our companies have very complex reporting and we would like to know how the ‘report once, use often’ scenario would work for them. See our Musica Viva case study below.

Musica Viva

Musica Viva is a national performing arts company operating two very different programs with distinct business models: its International Concert Season and its Musica Viva in Schools. The funding for both is very complex and can be at either a full program or individual project level. Different agencies are motivated to support them for different reasons, at all levels of government.

At a federal level, funding comes through various agencies. Core funding comes from the Australia Council. Other funding comes from the Department of Education, Employment and Workplace Relations, Department of Foreign Affairs and Trade (for Musica Viva’s Asia/Pacific music touring program), and Office for the Arts (for Musica Viva’s Indigenous Program).

At a state level, funding comes from both education and arts departments. Sometimes the department funds a program in their state, or it might just fund an individual project such as a residency. For example, recently the company ran a residency in Mt Isa, funded by the Queensland Government but which is unlikely to be held again this year.

At a local government level, further funding is possible for projects. For example, discussions with the City of Sydney are continuing for support of Musica Viva’s Sydney Festival. It is also involved in Seniors Week throughout New South Wales, and will be talking to local government about that.

Individual project funding, especially state-based, is not going to be readily discernible through a whole-of-company report such as that provided to the Australia Council. How would it be possible to set up a report structure that is flexible enough to incorporate sufficient detail to satisfy reporting requirements of the various agencies, but not so detailed that the whole-of-company data becomes meaningless.

7. All our companies raise philanthropic funds which must be reported in the states where they are raised. Some of our ‘national’ companies raise funds in several states to support their national touring and educational activities. These companies include Bangarra, Bell Shakespeare, Circus Oz, Musica Viva, The Australian Ballet, the Australian Chamber Orchestra, Australian Brandenburg Orchestra, Sydney Dance Company, Opera Australia (including its touring company, Oz Opera). Will these companies be able to report on their philanthropic fundraising once to the ACNC, which will then distribute those reports to the states involved?
8. Some companies raise funds to be used internationally—how will these funds be treated in light of the exemptions to be put in place under the ‘in Australia’

provisions of the tax law amendments. The Australian Brandenburg Orchestra is one such company—see example below.

Australian Brandenburg Orchestra

The Australian Brandenburg Orchestra raises philanthropic funds throughout Australia to use both nationally and internationally. It not only tours internationally but also runs the Brandenburg International Baroque Study Program for elite baroque musicians. Like several other AMPAG member companies, its reporting is complex and unpredictable. Will the orchestra be able to report once to the ACNC on its fundraising used for national and international activities?

We recognise the issues we raise in relation to arts charities are likely to be common to other types of that have multiple reporting structures, and operate across borders, and trust the ACNC will be able to develop clear protocols to avoid uncertainty and ambiguity.

We welcome your advice.

Yours sincerely



Bethwyn Serow
Executive Director

Appendix A: List of AMPAG Member Companies & their location

Adelaide Symphony Orchestra	South Australia
Australian Brandenburg Orchestra	New South Wales
Australian Chamber Orchestra	New South Wales
Bangarra Dance Theatre	New South Wales
Bell Shakespeare	New South Wales
Belvoir	New South Wales
Black Swan State Theatre Company	Western Australia
Circus Oz	Victoria
Malthouse Theatre	Victoria
Melbourne Symphony Orchestra	Victoria
Melbourne Theatre Company	Victoria
Musica Viva Australia	New South Wales
Opera Australia	New South Wales
Opera Queensland	Queensland
Orchestra Victoria	Victoria
Queensland Ballet	Queensland
Queensland Symphony Orchestra	Queensland
Queensland Theatre Company	Queensland
State Opera South Australia	South Australia
State Theatre Company of South Australia	South Australia
Sydney Dance Company	New South Wales
Sydney Symphony	New South Wales
Sydney Theatre Company	New South Wales
The Australian Ballet	Victoria
Tasmanian Symphony Orchestra	Tasmania
Western Australian Ballet	Western Australia
West Australian Opera	Western Australia
West Australian Symphony Orchestra	Western Australia

Appendix B: AMPAG member companies reporting frameworks

Company	Reporting standards	Reporting year
ASO	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements. 	year ended 31 December
Bangarra	<ul style="list-style-type: none"> • complies with Accounting Standards and the Corporations Regulations 2001. 	year ended 31 December
Black Swan	<ul style="list-style-type: none"> • complies with Accounting Standards and the Corporations Regulations 2001. 	year ended 31 December
ABO	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
Bell Shakespeare	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
Opera Australia	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
Aust Ballet	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
Circus Oz	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
WA Opera	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the 	year ended 31 December

	Australian Accounting Standards and the <i>Associations Incorporation Act (WA) 1987</i>	
SSO	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
STC	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
MSO	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
Belvoir	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
Malthouse	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
MTC	<ul style="list-style-type: none"> • special purpose financial report • complies with Australian equivalents to International Financial Reporting Standards (AIFRS's), the <i>Financial Management Act 1994</i> 	year ended 31 December
Musica Viva	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
Opera Q	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
Queensland Ballet	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) 	year ended 31 December

	(including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i>	
QSO	<ul style="list-style-type: none"> • a special purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards (except AASB 7 Financial Instrument Disclosure, AASB 8 Operating Segments, AASB 117 Leases, AASB 124 Related Party Disclosures, AASB 127 Consolidated and Separate Financial Statements) 	year ended 31 December
QTC	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards, and the Treasurer’s Minimum Reporting Requirements 	year ended 31 December
State Opera of SA	<ul style="list-style-type: none"> • a general purpose financial report • complies with Australian Accounting Standards and Treasurer’s Instructions and Accounting Policy Statements promulgated under the <i>Public Finance and Audit Act 1987</i>. 	year ended 30 June
STCSA	<ul style="list-style-type: none"> • a general purpose financial report • complies with Australian Accounting Standards and Treasurer’s Instructions and Accounting Policy Statements promulgated under the <i>Public Finance and Audit Act 1987</i>. 	year ended 30 June
Sydney Dance Co	<ul style="list-style-type: none"> • a general purpose financial statement • complies with the Australian Accounting Standards (AASBs) (including Australian interpretations) – Reduced Disclosure Requirements and the <i>Corporations Act 2001</i> 	year ended 31 December
TSO	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
WA Ballet	<ul style="list-style-type: none"> • a special purpose financial report • The directors have determined that the association is not a reporting entity. No Accounting Standards or authoritative pronouncements of the 	year ended 31 December

	Australian Accounting Standards Board have been applied.	
WASO	<ul style="list-style-type: none"> • a general purpose financial report • complies with the requirements of the <i>Corporations Act 2001</i> and Australian Accounting Standards 	year ended 31 December
Orchestra Victoria		