ANNUAL REPORT 2018

CHAIR'S REPORT
SUSAN THACORE

There are many people whose lives have been touched by the National Theatre Melbourne over the last 83 years. This is wonderfully reflected through many contributions of passion, time, volunteerism and financial support from our community. The National Theatre Melbourne came into being at a time when there was no other performing arts training in Australia. Without private philanthropy, it simply would not have been established, and would certainly not exist today. We are indebted to those people who understand the value of our endeavours as a not-for-profit, grassroots training company, striving continuously to deliver excellence in our training and performance experiences.

In 2018 we were overwhelmed with generosity, in the form of a very significant bequest from the estate of the late Jean Stewart. Miss Stewart valued the theatre and particularly enjoyed attending the ballet.

We were also most grateful to receive support from longstanding patron Diana Gibson AO, as well as The William Angliss Charitable Fund, The Helen McPherson Trust, The Bertalli Family Foundation, Melbourne Ports through the Stronger Communities grant, and The Scanlon Foundation. Their generosity enabled us to carry out a very significant roof repair, and also saw the implementation of a new integrated IT system and website, in addition to some modifications in the studios.

This year the Board invited our interim CEO Peter McCoy to remain in his role as leader of the organisation. Peter's leadership has brought stability and financial nous to the company's managment. He leads a remarkable creative, educational and technical team, comprised of dedicated professionals who deliver the highest standards, seven days a week.

With hundreds of students learning their craft in Australia's oldest working theatre, alongside performances from other presenters, the corner of Carlisle and Barkly Streets brims with hard work, dreams, determination and nurturing relationships. The collaborative spirit engendered by our Artistic Directors, Damian Smith and Trent Baker, lends a fresh energy to this boutique training environment. 2018 saw these new Artistic Directors work together to forge the future direction of the schools with a focus on culture and sustainability.

Lisa Trevellick stepped into the role of Venue Operations Manager and has continued to drive occupancy of the theatre. All of our activites are supported by an extremely dedicated and highly respected technical team, led by Production Manager Linda Hum. I am proud to lead the governance of this grand arts company of such longevity, and I would like to thank my Board for their time, expertise and care for the National Theatre Melbourne.

- Susan Thacore

STAFF in 2018

CEO Peter McCoy
Administrator Will Huang
Accounts Maggie Lu / John Paxinos & Associates
Venue Operations Manager Lisa Trevellick
Marketing Coordinator Elizabeth Millington

Production Manager Linda Hum
Technical Manager Gordon Boyd
Head Cleaner Tracie Ryan

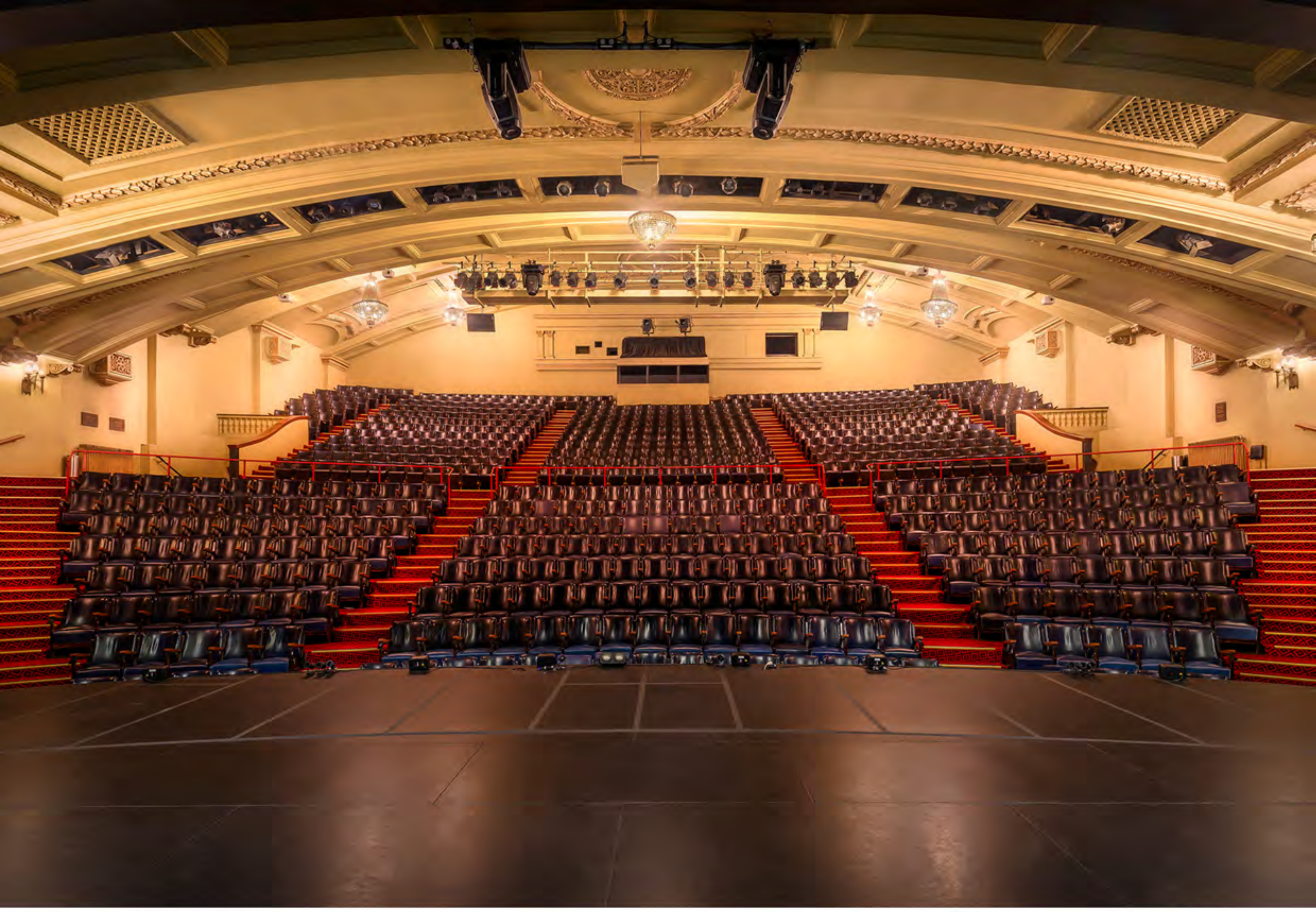
Ballet School Director Damian Smith
Drama School Director Trent Baker
School Course Coordinator Miranda Pertzel

Many thanks also to the 100+ casual staff who teach, play piano and provide outstanding technical and front of house support throughout the year to our theatre and schools.

ACKNOWLEDGMENTS

The National Theatre Melbourne would like to thank our generous donors:

Diana Gibson
Estate of Jean Stewart
The William Angliss (Vic) Charitable Fund
The Bertalli Family Foundation Pty Ltd
Helen Macpherson Smith
Stronger Communities Program
Urquhart Charitable Fund
Gerda Nicolson Trust
Ms Susan Thacore
The Scalon Foundation
Gwen & Edna Jone Foundation
Palais Theatre Community Fund
Cybec Foundation
The Tallis Foundation
Mr Glen Westall
Ms Julie Mundy
Gerda Nicolson Trust
Estate of Gertrude Johnson
Peter McCoy
James Ostroburski



PERFORMANCE REVIEW

TOTAL NUMBER OF PERFORMANCES/EVENTS;
142 Performances / Events

Performances by Genre:

Dance (Inc. contemporary /classical/modern/callisthenics):	40
Theatre (Drama/comedy etc.):	9
Music Theatre:	65
Music (popular/multi-cultural):	3
Schools Productions:	20
Other (Inc. functions):	3
Film Shoots:	2

TOTAL ATTENDANCE PATRONS:
75,968

SUPPORTD COMMUNITES INCLUDE:
- Local sporting communities
- Local theatre groups
- Schools communities
- Local dance schools
- Women's Health Week
- Ukrainian Community
- Chinese Community
- Iranian Community

SEASON 2018:
A Little Night Music - March 2018
Co-Presentation with Watch This and National Theatre

NATIONAL THEATRE BALLET SCHOOL PRODUCTIONS

Summer School Showing	Jan 2018
Term 1 – Demonstration	March 2018
Graduation Ball & Works by Weldon	June 2018
Jazz Tap	August 2018
Fusion De Dances	September 2018
The Nutcracker	December 2018

NATIONAL THEATRE DRAMA SCHOOL PRODUCTIONS

Much Ado About Nothing	June 2018
A View from Bridge	September 2018
Showcase 2018	November 2018

VENUE USAGE

DRAMA SCHOOL

2018 was a productive time for the National Theatre Drama School. Our continuing status with VET student loans making us the only dramatic arts institution to offer this financial support for its students.
The drama school performed publicly 20 times across 2018 including productions of Much Ado About Nothing, A View From the Bridge and the 3rd year devised production - You Again.
2017 graduates Harvey Zielinski and Casey Filips continued their success at Red Stitch Actors Theatre. Casey having just appeared in the hit show, Dance Nation. Harvey was also a finalist for the Heath Ledger Scholarship. He was flown to LA for the ceremony, appeared in Vogue Australia and acquired U.S representation.

Student numbers for the Drama School from 2017-2018 have increased from 25 to 30. Other graduate achievements include; Bella Heathcote taking the title role in the U.S film, Dr Marston and the Wonder Women, Janine Watson directing for Bell Shakespeare, graduate Brett Tucker starring in the US series Station 19 and appearing in the same role in Grey's Anatomy. 2017 Graduate Jordan Stack became the artistic director of Melbourne based youth company Fresh Theatre and Esther Hannaford appeared in the starring role for Melbourne Theatre Companies Twelfth Night.
National graduates also continue to appear in independent and commercial Theatre and are consistently making new work across the country.

There were four scholarships awarded in 2018. Freya Patience was awarded the Cybec Award, the Tallis Scholarship went to Paolo Bartomolei, Jonathan Evans received the Gwen and Edna Scholarship and Anthony O'Connell the inaugural W.P Carr Award from the will of Gertrude Johnson. The Gerda Nicholson Foundation continued to support all students with a scholarship to fund their theatre performance attendances. The drama school staff and students are extremely grateful for the generosity of these organizations.

GRADUATE HARVEY ZIELINSKI

'For the first time since its inception in 2008, a transgender finalist (was nominated) for this prestigious award.

Actor Harvey Zielinski, 27, is one of 10 nominees up for the accolade, created in honour of the late actor 'to give a huge boost to an upcoming talent from Australia'

- By Candice Jackson For Daily Mail Australia

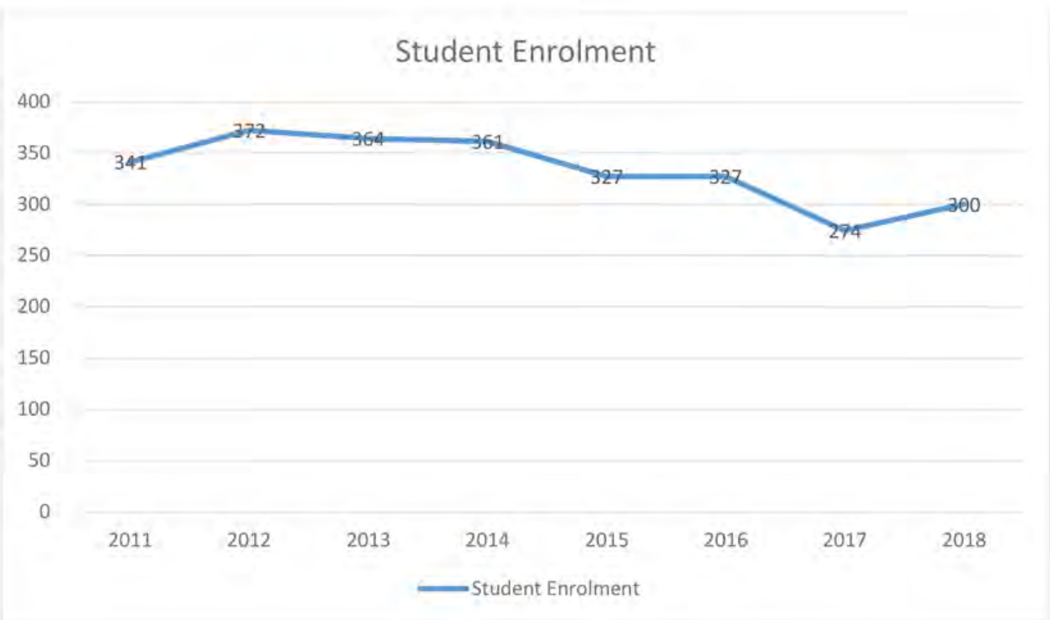
BALLET SCHOOL

A total of 230 Fulltime and Part time Students took part in 7 performances during June - December 2018 including Graduation Ball, Full length ballet of the Nutcracker Suite, Classical variations from Don Quixote and Giselle and La Bayadere. Junior school students took part in a Jazz and Tap production performing a variety of 8 different pieces in each genre. Full time students danced Character roles, Contemporary works, and collaborated with other students to create some improvisation.

Of the three 3rd year graduates of 2018, 1 student chose a career in teaching dance with a ballet school in New Zealand. While the other two were accepted into the Joffrey Ballet summer intensive program in New York City.

-The Ballet Teachers workshop ballet competition. The 2nd round 20 dancers chosen from 135. Two of which were from the National Theatre Ballet School.
-Full time students performed choreography created by their Director for the annual event hosted by the National Australian Education and Training Department
-All full-time students participated in the National Big Dance event, performing their work in Federation Square.

Scholarships Recipients in 2018
Charlie Keegan-Bull



Directors Report

Your Directors present this report to the members of the Company for the year ended 31 December 2018.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Directors	Appointed	Ceased	Directors' Eligible to Attend	Meetings Attended
Susan Thacore (Chair since March 2013)	March 2011		6	6
Cathy Buckmaster	February 2017	November 2018	6	0
Natalie Frazer	January 2014		6	4
Brian Martin	July 2016		6	5
James Ostroburski	November 2016		6	2
Christine Fleer	June 2017		6	5
Govind Pillai	July 2014		6	3
Amber Scott	January 2016		6	6
Julie Carey	December 2016	November 2018	6	5
Sarah Hunt	November 2018		1	1

Mission

The National Theatre Melbourne nurtures Australia's best creative talent by providing world-class training in the Performing Arts as a recognised Centre of Excellence in Australia.

The National Theatre Melbourne is an artistic leader and delivers a diverse and innovative performance program, building engagement, revenues and audiences.

Vision

To provide students with an affordable world class course in Ballet and Dance, Acting and Drama in a dynamic, caring, non-discriminatory environment.

To maximise and maintain our versatile, professional performance spaces for the benefit of our education programs and professional performance program.

Principal Activities

During the 2018 year, the company continued to promote and encourage the study and practice of ballet, drama, music and other arts. These objectives are met by holding training classes in Melbourne and supporting the wider community through professional hires, and community access to the National Theatre to present artistic projects.

Over 75,968 people attended performances at the National Theatre Melbourne in 2018. They watched 140 performances, presented by nearly 10,500 artists and students. Through our schools, we taught over 485 students aged 2 years to adult through both part-time and full-time fully accredited vocational training, that enables graduates to be industry-ready. In all, this is almost 87,000 people, a significant number of people that the National Theatre Melbourne has supported in 2018.

In addition, the National Theatre Melbourne was a vital employer for the Victorian creative industry, with a core team of 10 full time equivalent permanent staff as well as a casual work-force of over 100, teachers, pianists, theatre ushers, box office managers, technicians, administrators and production staff.

DIRECTORS REPORT
Information on Directors

Susan Thacore
Chair; Member of Audit and Risk, and Executive Performance and Remuneration Committees.
Susan Thacore joined the National Theatre Board in March 2011, becoming Chair in March 2013. This continues a long-standing family association and commitment to the Australian National Memorial Theatre since its inception in the 1930s, when her great grand-parents became Life Members to help establish this remarkable performing arts enterprise. Susan is a highly successful business leader. Since 1998 Susan has been the Chair and Director of private investment companies, Cupistan Pty Ltd and Dream Technicians Pty Ltd. From 1997 – early 2000s, Susan was a Director for Investors Pty Ltd. Susan was a Trustee for The William Angliss (Victoria and Queensland) Charitable Trusts Committee (1999 – 2003) and Trustee of the Estate of the Late William Charles Angliss (1997 – 1998). Susan has been President of the Lauriston Arts Association. Susan holds a Bachelor of Arts (Fine Arts and Major in English Literature) from University of Melbourne. Member of the Australian Chamber Orchestra Melbourne Development Council.

Julie Carey
Director
Julie is a Partner in KPMG's Melbourne office. She has worked across a number of industries providing audit services and advising clients on financial reporting, governance and transactional matters. Julie has strong international experience having worked in London and the United States. Julie is Member of the Institute of Chartered Accountants in Australia. Julie joined the National Theatre Board in December 2016.

Natalie Frazer
Director and Member of the Executive Performance and Remuneration Committee.
Natalie is Regional General Manager for Westpac and highly regarded as a senior executive with a deep commercial understanding who delivers results. She leads high performing teams with a commercial focus and strong values. Natalie completed an MBA (Major in Finance) at Melbourne Business School including Asian Business Studies in Shanghai. She has 17 years' experience in sales, marketing, acquisitions, business transformation and brand strategy across professional services, B2B and IT sectors. Natalie has served on a number of boards previously and has been a Director of the Board for the National Theatre Melbourne since 2014. Natalie also serves on various industry panels and participates in mentor programs including for APSMA (since 2014).

Govind Pillai
Director and Chair of the Audit and Risk Committee.
Govind Pillai is a Director in Advisory Services with EY (Ernst & Young) in Melbourne and consults to organisations across a wide variety of industries on strategic issues. Govind's qualifications include an Executive MBA (AGSM), Bachelor of Engineering, Diploma in Engineering Practice and a Graduate Diploma in Legal Studies and Authentic Leadership Development at Harvard Business School. Govind is also one of a few Australian male practitioners of classical Indian dance and is heavily involved in performance, direction, teaching and arts production through his past and present roles as Director of Karma Dance Inc. (performing company and academy with an international track-record of sell out productions, festival appearances and a program for Australian schools), Lead male dancer of Samskriti Dance (Sydney), Dance Advisor elect to the Federation of Indian Music and Dance Victoria (Victoria's peak body for classical Indian performing arts) and Vice President of Flare Dance Company Inc. Govind joined the National Theatre Board in July 2014.

James Ostroburski
Director
James Ostroburski is Chief Executive of Melbourne-based wealth and asset manager, Kooyong Group. He previously held leadership roles with Investec Bank (Australia) Limited, Credit Union Australia Limited and Grimsey Wealth Pty Ltd. James is a Director of the Australian Chamber Orchestra, the Bundanon Trust, the Jewish Museum of Australia, the Institute of Creative Health and is the Chairman of Dancehouse Inc. James joined the National Theatre board in November 2017.

Professor Brian Martin
Director
Brian is a leading Indigenous artist and academic. Born in Redfern Sydney, he is from Murrawari, Bundjalung and Kamilaroi ancestry. His academic qualifications include a Bachelor of Visual Arts with Honours from the University of Sydney, a Graduate Diploma of Vocational Education and Training from Charles Sturt University and a PhD by research from Deakin University. A practising artist for 25 years, Brian has exhibited his work nationally and internationally. His work is held in various private and public collections including the National Gallery of Victoria. His publication history has investigated the relationship of materialism in the arts to an Indigenous worldview and Aboriginal knowledge framework and epistemology. He has further reconfigured understandings of culture and visual practice from an Aboriginal perspective. Recently Deputy Director of the Institute of Koorie Education at Deakin University Australia and currently Honorary Professor of Eminence at Centurion University of Technology and Management in Orisha India, Brian is also the Managing Director of Brian Martin Consultancy, providing various services including design and delivery of cultural awareness programs and Reconciliation Action Plans to various organisations. Brian joined the National Theatre Board in July 2016.

Amber Scott
Director
Amber Scott is an alumni of the National Theatre Ballet School. She joined The Australian Ballet School at age eleven. After graduating as dux, she joined The Australian Ballet in 2001. In 2003 she spent four months on a dancer exchange at the Royal Danish Ballet, giving her the opportunity to learn Bournonville technique first-hand. Amber was promoted to principal artist in 2011 after performing the Second Movement from Sir Kenneth MacMillan's *Concerto*. Career Highlights include working with Wayne McGregor on *Dyad 1929* and *Chroma* and dancing with Robert Tewsley during the 2008 *Manon* season, Damian Smith in Christopher Wheeldon's *After the Rain©* Pas de deux in 2012 and David Hallberg in Alexei Ratmansky's *Cinderella* in 2013. Amber has performed with The Australian Ballet in all the capital cities as well as overseas in Paris, United Kingdom, China, United States, New Zealand and Japan. She joined the National Theatre Board in January 2016.

Christine Fleer
Director
Christine is a partner of leading Melbourne law firm, Arnold Bloch Leibler. Christine practices in commercial law, managing a diverse practice including mergers and acquisitions, corporate advice and private wealth work. Christine holds a Bachelor Laws degree with first class honours and a Bachelor of Commerce. Christine grew up in North Western Victoria, but is now a long term St Kilda resident, most recently with her husband and three children. She is passionate about access to the arts, particularly for rural people. Christine is also a member of the boards of the Tarrawarra Museum of Art and the Besen Foundation. Christine joined the board of the National Theatre in 2018.

Catherine Buckmaster
Director
Catherine joined the National in 2018, and is a Member of the Institute of Chartered Accountants. Having commenced her career with KPMG, Catherine worked with a number firm's national and global clients in assurance and transaction services. Catherine's more recent experience has been in financial services working with some of Australia's largest financial institutions where she has specialised in External Reporting and Governance. Outside of work, Catherine is a member of the Audit & risk Committee of YSAS, a not for profit focused on enabling young people experiencing serious disadvantage to access the resources and support they require to lead healthy and fulfilling lives.

Sarah Hunt
Director
Sarah joined the National Theatre Board in September 2018 and is an Arts & Culture Consultant. Having worked in the performing arts in London for 20 years, Sarah developed her specialty in Marketing, Communications, Fund-raising, Ticketing and Visitor Experience. She moved to Melbourne in 2013 to join the

Arts Centre Melbourne (ACM) Executive team and during that time contributed to changing the business model and led an enhanced customer-focussed approach; since leaving ACM Sarah is working with clients in Adelaide, Melbourne and Sydney. Sarah is also a Board member of Flinders Quartet and Chair of the Polyglot Theatre Board.

Executive Performance Review Subcommittee

During the 2018 year, three meetings of this committee was held. The number of meetings attended by each director was as follows:

	Eligible to Attend	Attended
Brain Martin (Chair from March 2017)	1	1
Susan Thacore	1	1

Members Guarantee

The company is limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the company. At 31st December 2018, the total amount that members of the company are liable to contribute if the company is wound up is $ (2018: $620). The number of members was - (2018: 62).

Auditors Independence Declaration

A copy of the Auditor's independence declaration as required under Australian Charities and Not-for-Profits Commission Act 2012 is set out following the Directors' report.

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

Susan Thacore

of the

Chair is 26 Board day of APRIL

2019

McLean Delmo Bentleys
THINKING AHEAD

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE DIRECTORS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, there have been:

(i) no contraventions of the auditor independence requirements as set out in 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.

McLean Delmo Bentleys Audit Pty Ltd

McLean Delmo Bentleys Audit Pty Ltd

Martin Fensome
Partner

Hawthorn
26th April 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTE	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Revenue			
Operating activities revenue	2 (a)	2,282,925	2,589,780
Grants & Donations	2 (b)	1,551,335	275,520
Expenditure			
Employee benefits expense		(1,609,327)	(1,632,998)
School Expenses		(319,975)	(324,280)
Theatre Expenses		(198,985)	(397,886)
Depreciation and amortisation expense		(93,577)	(100,448)
Finance costs		(2,920)	(5,367)
Insurance expense		(74,873)	(71,702)
Other expenses	3	(486,187)	(364,887)
Surplus/ (Deficit) for the period		**1,048,416**	**(32,268)**
Other Comprehensive Income		-	-
Total comprehensive income for the period		**1,048,416**	**(32,268)**

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	NOTE	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Assets			
Current Assets			
Cash and cash equivalents	6	1,311,303	650, 974
Trade and other receivables	7	208,398	22,575
Inventories	8	4,277	8,478
Other assets	9	110,450	50,778
Total current assets		1,634,428	732,805
Non-Current Assets			
Property, plant and equipment	10	2,301,072	2,230,732
Total non-current assets		2,301,072	2,230,732
Total Assets		**3,935,500**	**2,963,537**
Liabilities			
Current Liabilities			
Trade and other payables	11	430,745	576,897
Provisions	12	143,810	74,111
Total current liabilities		574,555	651,008
Non-Current Liabilities			
Provisions	12	-	-
Total non-current liabilities		-	-
Total Liabilities		**574,555**	**651,008**
Net Assets		**3,360,945**	**2,312,529**
Equity			
Retained surpluses		3,360,945	2,312,529
Total Equity		**3,360,945**	**2,312,529**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Retained Surpluses	Ballet Scholarship reserve	Building Maintenance Reserve	Total
	$	$	$	$
Balance at 1 January 2017	2,344,797	-	-	2,344,797
Surplus for the year	-32,268	-	-	-32,268
Balance at 31 December 2017	**2,312,529**	-	-	**2,312,529**
Surplus for the year	31,281	569,965	447,170	1,048,416
Balance at 31 December 2018	**2,343,810**	**569,965**	**447,170**	**3,360,945**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTE	31 DECEMBER 2018	31 DECEMBER 2017
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers including productions		2,472,642	2,859,045
Proceeds from donations and grants		1,551,335	275,520
Interest received		9,316	2,338
Payments to suppliers and employees		(3,206,126)	(2,812,406)
Finance costs		(2,920)	(5,367)
Net cash provided by operating activities	15	824,247	319,130
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(163,918)	(86,069)
Net cash used in investing activities		(163,918)	(86,069)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		-	(4,207)
Net cash used in financing activities		-	(4,207)
Net increase in cash & cash equivalents		660,329	228,854
Cash & cash equivalents at the beginning of period		650,974	422,120
Cash & cash equivalents at the end of period	6	1,311,303	650,974

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

The financial statements are for the Australian National Memorial Theatre Limited as an individual entity, incorporated and domiciled in Australia.

Australian National Memorial Theatre Ltd is a company limited by guarantee.

The financial statements were authorised for issue on the directors of the company on the date of the directors' report.

NOTE 1 – Summary of Significant Accounting Policies

Basis of Preparation

The company applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards board and the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated. All amounts are shown in Australian dollars unless otherwise indicated.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Revenue

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(b) Grants

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the funds and it is probable that the economic benefits gained from the funds will flow to the entity and the amount of the funds can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Where grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost.

(d) Property, Plant and Equipment

Property, plant and equipment is carried at cost or fair values as indicated, less accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	*Depreciation rate*
Buildings	0.83%
Plant and equipment	15%
Fittings	15%
Furniture	5.5%
Motor vehicles	15%
Office Equipment	15%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (cont'd)

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (cont'd)

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (cont'd)

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assessed whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument increased significantly since initial recognition, the entity measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the entity measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that result from transactions that are within the scope of AASB 15, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

NOTE 1 - Summary of Significant Accounting Policies (continued)

(e) Financial Instruments (cont'd)

Purchased or originated credit impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the entity measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment was recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- Where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. For non-cash generating specialised assets measured using the cost basis, the recoverable amount is determined using current replacement cost in AASB 13 *Fair Value Measurement*. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.
Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees the end of the reporting period. Employee benefits that are expected to be settled within 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(h) 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, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) 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 exclusive 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 activities, which are disclosed as operating cash flows.

(j) Income Tax

The Australian National Memorial Theatre Ltd is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997, Item 1.1 Charitable Institution.

(k) Provisions

Provisions are recognised when the entity has 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 realisably measured. Provisions recognised represent the best estimate of the amount required to settle the obligation at reporting date.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(l) Comparatives figures

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(m) Critical Accounting Estimates and Judgement

The directors evaluate estimates and judgments 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.

Key estimates – Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the Company that may be indicative of impairment triggers. Where an impairment trigger exists, the recoverable amount of the asset is determined. At 31 December 2018, no trigger of impairment existed.

(n) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory applicable dates for future reporting periods and which the company has decided not to early adopt.

(o) New and Amended Accounting Policies Adopted by the Entity

Initial application of AASB 9: Financial Instruments

The entity has adopted AASB 9: Financial Instruments with a date of initial application of 1 January 2018. As a result, the entity has changed its financial instruments accounting policies as detailed in the significant accounting policies note.

Considering the initial application of AASB 9 during the financial period, financial statement line items have been affected for the current and prior periods. Below in this note are the adjustments made to the affected financial statement line items.

AASB 9 requires retrospective application with some expectations (ie when hedge accounting in terms of the standard).

Disclosure: Initial application of AASB 9

There were no financial assets/liabilities which the entity had previously designated as fair value through profit or loss under AASB 139: Financial Instruments: Recognition and Measurement that were subject to reclassification/elected reclassification upon the application of AASB 9. There were no financial assets/liabilities which the entity has elected to designate as at fair value through profit or loss at the date of initial application of AASB 9.

The entity applied AASB 9 (as revised in July 2014) and the related consequential amendments to other AASBs. New requirements were introduced for the classification and measurement of financial assets and financial liabilities, as well as for impairment and general hedge accounting.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(o) New and Amended Accounting Policies Adopted by the Entity (cont'd)

The date of initial application was 1 January 2018. The entity has applied AASB 9 to instruments that have not been derecognised as at 1 January 2018 and has not applied AASB 9 to instruments that have already been derecognised as at 1 January 2018. Comparative amounts in relation to instruments that have not been derecognised as at 1 January 2018 have been restated where appropriate.

Financial assets in terms of AASB 9 need to be measured subsequently at either amortised cost or fair value on the basis of the entity's business model and the cash flow characteristics of the financial assets, as follows:

- debt investments that are held within a business model whose goal is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortised cost;

- debt investments that are held within a business model whose goal is both to collect contractual cash flows and to sell it, and that have contractual cash flows that are purely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income; and

- all other debt investments and equity investments are measured at fair value through profit or loss.

Despite the issues mentioned above, the entity may make irrevocable election at initial recognition of a financial asset as follows:

- the entity may choose to present subsequent changes in fair value of an equity investment that is not held for trading and not a contingent consideration in a business combination in other comprehensive income; and

- the entity may choose to present a debt investment that meets the amortised cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss if this choice significantly reduces an accounting mismatch.

When an equity investment at fair value through other comprehensive income has a gain or loss previously recognised in other comprehensive income, it is not reclassified to profit or loss. However, when a debt investment at fair value through other comprehensive income is derecognised, the gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Debt instruments that are subsequently measured at amortised cost or at fair value through other comprehensive income are subject to impairment.

This note contains a table that shows the effect of classification of the financial assets upon initial application.

Impairment

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous standard applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the entity to account for expected credit losses since initial recognition.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(o) New and Amended Accounting Policies Adopted by the Entity (cont'd)

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost or at fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument did not show significant change since initial recognition, an expected credit loss amount equal to 12-month expected credit losses are used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

A simple approach is followed in relation to trade receivables as the loss allowance is measured at lifetime expected credit loss.

The entity reviewed and assessed the existing financial assets on 1 January 2018. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that is available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was compared to the credit risk as at 1 January 2017 and 1 January 2018. The assessment was done without undue cost or effort in accordance with AASB 9.

The entity uses the simplified approach and recognises lifetime expected credit loss. Additional credit loss allowances have not been recognised as at 1 January 2018 and as at 1 January as a result of application of the AASB 9.

The consequential amendments to AASB 7 have also resulted in more extensive disclosures about the entity's exposure to credit risk in the consolidated financial statements.

Classification and measurement of financial liabilities

AASB 9 determines that the measurement of financial liabilities and also the classification relates to changes in the fair value designated as FVTPL attributable to changes in the credit risk.

AASB 9 further states that the movement in the fair value of financial liabilities that is attributable to changes in the credit risk of that liability needs to be shown in other comprehensive income. unless the effect of the recognition constitutes accounting mismatch in profit or loss. Changes in fair value in relation to the financial liability's credit risk are transferred to retained earnings when the financial liability is derecognised and not reclassified through profit or loss. ASB 139 requires the fair value amount of the change of the financial liability designated as at FVTPL to be presented in profit or loss.

Apart from the above, the application of AASB 9 has had no impact on the classification and measurement of the entity's financial liabilities.

NOTE 1 - Summary of Significant Accounting Policies (continued)

(o) New and Amended Accounting Policies Adopted by the Entity (cont'd)

The following table represents the classification and measurement of financial assets and financial liabilities under AASB 9 and AASB 139 at the date of initial application, 1 January 2018

	Financial instrument category		Carrying amount		
	AASB 139 Original	AASB 9 New	AASB 139 Original	AASB 9 recognition of additional loss allowance	AASB 9 New
Financial assets					
Current and non-current					
Trade and other receivables	Loans and receivables (amortised cost)	Financial assets at amortised cost	22,575	-	22,575
Cash and cash equivalents	Loans and receivables (amortised cost)	Financial assets at amortised cost	650, 974	-	650, 974
Financial liabilities					
Current and non-current					
Trade and other payables	Amortised cost	Financial liabilities at amortised cost	425,358	-	425,358

The application of these changes in accounting policies had no impact on the cash flows of the entity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	31 DECEMBER 2018	31 DECEMBER 2017
NOTE 2 – Revenue and Other Income	$	$
(a) **Operating Activities**		
Fees & production revenue	1,646,785	1,752,070
Rental revenue	443,461	634,512
Phone tower rentals	49,432	67,236
Interest	9,316	2,338
Trading revenue - bar operations, net	107,543	122,188
Other income	26,388	11,436
Total operating activities revenue	2,282,925	2,589,780
(b) **Grants and Donations**		
Donations (other sources)	1,551,335	275,520
Total grants and donations revenue	1,551,335	275,520
NOTE 3 – Expenses		
Bad and doubtful debts expense	10,696	5,478
Maintenance expenses	61,727	34,090
NOTE 4 – Auditor's remuneration		
Remuneration of the auditor of the company for:		
- auditing the financial report	10,200	10,800

NOTE 5 – Related Party Transactions

Key Management Personnel

Any persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any member (whether executive or otherwise) is considered key management personnel.

Key management personnel compensation:

- Short term benefits	120,856	47,499
- Other long-term benefits	2,613	723
	123,469	48,222

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	31 DECEMBER 2018 $	31 DECEMBER 2017 $
NOTE 6 – Cash and cash equivalents		
Current		
Cash at bank and in hand	107,845	169,373
Arts & Training Account	283,840	371,200
Short-term bank deposits	919,618	110,401
	1,311,303	650,974
NOTE 7 – Trade and other receivables		
Current		
Trade receivables	208,398	27,575
Provision for Impairment	-	(5,000)
	208,398	22,575
NOTE 8 – Inventories		
Current		
Bar stock - at cost	4,277	8,478
NOTE 9 – Other Assets		
Current		
Prepayments	106,075	47,903
Work-in-progress	708	708
Rental bonds	2,167	2,167
Deposit on hire	1,500	-
Total other assets	110,450	50,778

NOTE 10 – Property, plant and equipment

	Land $	Buildings $	Plant and equipment $	Office Equipment $	Furniture and Fittings $	Motor Vehicles $	Total $
Balance at 1 Jan 2018	223,000	1,675,033	69,310	17,402	245,987	-	2,230,732
Additions	-	129,080	10,210	2,193	22,435	-	163,918
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(18,432)	(24,284)	(4,482)	(46,380)	-	(93,578)
Carrying amount at 31 December 2018	223,000	1,785,681	55,236	15,113	222,042	-	2,301,072

NOTE 11 – Trade and other payables	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Current		
Trade payables	88,887	186,465
Other current payables	341,858	243,987
Deferred income	-	146,445
Total trade and other payables	430,745	576,897
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables:		
- Total current	430,745	576,897
- Total non-current	-	-
	430,745	576,897
Less deferred income	-	(146,445)
Less other payables (net payable to ATO)	(397)	(5,094)
Financial liabilities as trade and other payables	430,348	425,358

NOTE 12 – Provisions	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Current		
Annual leave entitlements	71,364	45,856
Long service leave entitlements	72,446	28,255
Total current provisions	143,810	74,111
Non-Current		
Long service leave entitlements	-	-
Total non-current provisions	-	-
Total provisions	143,810	74,111

	Employee entitlements $
Opening balance at 1 January 2018	74,111
Additional provisions during the year	69,699
Amounts used	-
Balance at 31 December 2018	143,810

Employee Provisions
Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Provision for long-term employee benefits
A provision has been recognised for employee benefits relating to long service leave for employees after seven years. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

NOTE 13 – Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, and short-term investments, accounts receivable and payable and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows;

	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	1,311,303	650,974
Trade and other receivables	208,398	22,575
Total Financial assets	1,519,701	673,549
Financial liabilities:		
Financial liabilities at amortised cost:		
Trade and other payables	430,348	425,358
Total Financial Liabilities	430,348	425,358

NOTE 14 – Capital and Leasing Commitments

There are no capital commitments as at 31 December 2018 (31 December 2017: Nil).

	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Lease Commitments		
Operating Lease Commitments contracted for Inkerman St, St Kilda:		
Payable		
- not later than 12 months	2,500	2,500
- later than 12 months but not later than 5 years	-	-
- later than 5 years	-	-
	2,500	2,500

Note 15 – Cash Flow Information

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

	31 DECEMBER 2018 $	31 DECEMBER 2017 $
Surplus/(Deficit) for the year	1,048,416	-32,268
Non-cash flows in surplus:		
Depreciation	93,578	100,448
Provision for doubtful debts	(5,000)	5,000
Changes in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	(180,823)	(13,550)
Increase/(Decrease) in inventories	4,201	(4,161)
(Decrease)/Increase in trade and other payables	(146,152)	321,504
Increase/(Decrease) in provisions	69,699	(26,795)
Increase/(Decrease) in other assets	(59,672)	(31,048)
Cash flow from operations	824,247	319,130

NOTE 16 – Events after the Reporting Period

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

NOTE 17 – Company Details

The registered office and principal place of business of the company is:
The National Theatre
20 Carlisle Street
St Kilda Sth 3182
Victoria, Australia

Directors' Declaration

In accordance with a resolution of the directors of Australian National Memorial Theatre Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 6 to 27, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

   a) comply with Australian Accounting Standards– Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012; and

   b) give a true and fair view of the financial position of the company as at 31 December 2018 and of its performance for the year ended on that date.

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.

Susan Thacore

Chairperson

Signed this 26th day April 2019.

McLean Delmo
Bentleys
THINKING AHEAD

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED

Opinion

We have audited the financial report of Australian National Memorial Theatre Limited, which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of Australian National Memorial Theatre Limited is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) giving a true and fair view of the Entity's financial position as at 31 December 2018 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for Opinion

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

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors as at the time of this auditor's report.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Entity 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 Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN NATIONAL MEMORIAL THEATRE LIMITED (CONTINUED)

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 Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

McLean Delmo Bentleys Audit Pty Ltd

McLean Delmo Bentleys Audit Pty Ltd

Martin Fensome
Partner

Hawthorn
29th April 2019

IMAGE CREDITS

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