

# **Salamanca Arts Centre**

## **Financial Statements**

**For the Year Ended 31 December 2010**

# Salamanca Arts Centre

For the Year Ended 31 December 2010

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# Salamanca Arts Centre

## Directors' Report

31 December 2010

Your directors present their report on the company for the financial year ended 31 December 2010.

### 1. General information

#### Directors

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

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Ronald Gifford	Director/Chairman	Appointed April 2009
Alan Blow	Director/Secretary	Appointed April 2009
Daniel Rands	Director/Treasurer	Appointed April 2009
Lisa Free	Director	Appointed May 2009
Lesley Graham	Director	Appointed May 2009
David Laskey	Director	Appointed May 2009
Bill Hart	Director	Appointed May 2010
Duncan Kerr	Director	Appointed November 2010
Madeleine Ogilvie	Director	Resigned January 2010

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

#### Company Secretary

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

Alan Blow: Justice of the Supreme Court of Tasmania

#### Principal Activities

The principal activities of the Salamanca Arts Centre during the financial year were: -

- Development, facilitation, support presentation and training in the arts.
- Provision of facilities for arts practice, arts presentation and arts-based business.

These principal activities assist in achieving the short and long term objectives of the company by:

- Developing and promoting the arts in Tasmania through leadership, inspiration, creativity and excellence in arts development, programs and facilities.
- Delivery of significant visual and performing arts programs and projects in Tasmania and beyond for the broader public and arts audiences.
- The provision of development, training, facilities and services to artists, arts technicians, arts organisations, arts businesses and arts events.

No significant change in the nature of these activities occurred during the financial year.

# Salamanca Arts Centre

## Directors' Report

31 December 2010

### Director Information

#### Information on Directors

Ronald Gifford	Director/Chairman
Qualifications	Member of the Australian Institute of Company Directors
Experience	Ron Gifford is an independent consultant providing advisory and project management services on both infrastructure and building development projects who has worked in the building industry for over 30 years. He has an interest in heritage buildings and the mix of contemporary use with heritage restraints. He brings a particular interest in board governance and business ethics to the working of the Board and the organisation.
Alan Blow	Director/Secretary
Qualifications	Justice of the Supreme Court of Tasmania
Experience	Justice Blow has extensive governance experience and has dealt with government and public authorities at all levels. Justice Blow was involved in the negotiations with the Tasmanian Government that led to the new Head Lease in 1991.
Daniel Rands	Director/Treasurer
Qualifications	Chartered Accountant
Experience	Partner of PKF and has been a business and taxation advisor for over twenty years.
Lisa Free	Director
Qualifications	Tasmanian Marketing Manager of Metro Tasmania
Experience	Member of the Australian Marketing Institute and Australian Direct Marketing Association. Previously marketing manager for Australia Post in Tasmania.
Lesley Graham	Director
Qualifications	Dance Educator, based at Ogilvie High School
Experience	Former dance practitioner who holds an MA in Dance. Lesley has lectured in Dance Education at QUT and has taught extensively in Hobart Secondary Colleges and High Schools. Lesley is an energetic advocate for contemporary dance and contemporary performance practice.
David Laskey	Director
Qualifications	Project Manager with the Department of Economic Development and Tourism and the Arts
Experience	Has worked in festival management as Director of both the Hobart Summer Festival/Taste of Tasmania (1999 - 2007) and also the Antarctic Midwinter Festival from 2004 - 2006. He has been in small business and has had many professional links with the Salamanca Arts Centre, its venues and programs.

# Salamanca Arts Centre

## Directors' Report

31 December 2010

### Director Information (cont'd)

#### Information on Directors (cont'd)

Bill Hart	Director
Qualifications	Lecturer in Electronic Media at the School of Art, University of Tasmania, Hobart.
Experience	Bill Hart was awarded a BSc in theoretical physics in 1984, which led to a role with the CSIRO's Division of Oceanography. In the early 90s, Bill undertook Art studies, then developed and taught Computing in Art and E-media. His nationally and internationally exhibited work encompasses video, digital prints and reactive animations.
Duncan Kerr	Director
Qualifications	Barrister, Tasmanian Senior Counsel specialising in Public Law issues.
Experience	The Hon Duncan Kerr SC holds degrees in Law and Social Work. He was for 23 years the Federal Member for Denison. He served as Minister for Justice (1993-1996), Parliamentary Secretary for Pacific Island Affairs (2007-2009) and was Shadow Minister for the Arts (1998-2000).
Madeleine Ogilvie	Director
Qualifications	Barrister and Solicitor with Ogilvie & Associates
Experience	Her legal practice focuses on major infrastructure projects and her expertise includes telecommunications, intellectual property and IT law. Madeleine is a member of the Australian Institute of Company Directors, the Law Society of Tasmania and she provides pro-bono legal services to artists through the Arts Law Centre of Australia. Madeleine also holds positions on a number of not-for-profit Boards and Committees

### Meetings of Directors

During the financial year, 8 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Eligible to attend	Number attended
Ronald Gifford	8	4
Alan Blow	8	6
Daniel Rands	8	1
Lisa Free	8	7
Lesley Graham	8	5
David Laskey	8	6
Bill Hart	8	7
Duncan Kerr	1	1
Madeleine Ogilvie	-	-

# **Salamanca Arts Centre**

## **Directors' Report**

**31 December 2010**

### **2. Short Term Objectives of the Company**

The company has identified the following short term objectives;

- Increase creative output by Salamanca Arts Centre residents and through Salamanca Arts Centre activities and increase public visitation and arts experiences for the public
- Continue high occupancy rates and complementary creative tenancy mix.
- Continue to upgrade facilities for arts, artists and public.

The company has adopted the following strategies for achievement of these short term objectives;

- Create and leverage opportunities for artists and arts-based businesses through partnerships, relationships and funded programs.
- Identify opportunities, new directions and trends in the arts to facilitate cooperation, support, location or needs for successful arts residencies and tenancies.
- Access Tasmanian Government maintenance and upgrade funding and identify other funding sources.

### **Long Term Objectives of the Company**

The company has identified the following long term objectives;

- To develop, in Tasmania, a greater knowledge, understanding and practice of the Arts.
- To increase the accessibility of the Arts to the public of Tasmania and to promote community involvement.
- To provide facilities for the presentation, practice and teaching of the arts.

The company has adopted the following strategies for achievement of these long term objectives;

- Create and leverage opportunities for artists and arts-based businesses through partnership, relations, facilitation and programs with other arts organisations, Government, business philanthropic Trusts, education and training providers.
- Raise state and national recognition of the Salamanca Arts Centre as a leader in the arts and creative industries through targeted communications strategies, media coverage, awareness campaign and public recognition.

### **Performance Management**

The company uses the following key performance indicators to measure performance;

- Number and diversity of arts activities and of artists represented or presented in the Salamanca Arts Centre's venues, galleries, tenancies and projects each year.
- Attendances at the Salamanca Arts Centre throughout the year.
- Occupancy rates in the Salamanca Arts Centre facilities.
- Diversity of income sources and balanced budget.

### **3. Business review**

#### **Operating Results**

The total comprehensive income/(loss) from ordinary activities amounted to \$(26,425).





# Salamanca Arts Centre

## Statement of Comprehensive Income

For the year ended 31 December 2010

	Note	2010 \$	2009 \$
<b>Income</b>			
Administration and management fees		21,289	75,315
Arts program and support		12,661	26,357
DPIW - CIP essential maintenance		52,515	46,818
Fundraising and donations		6,847	17,421
Grants		380,962	357,604
Interest income		20,621	18,391
LAB project income		-	91,284
Member subscriptions		792	780
MONA FOMA		451,760	798,416
Other income		4,269	2,933
Rental income		660,172	643,840
Venue hire fees		76,026	66,522
<b>Total Income</b>		<b>1,687,914</b>	<b>2,145,681</b>
<b>Less: Expenses</b>			
Arts education and training		120,274	124,266
Arts programming		188,548	288,109
Communication and business development		36,596	55,544
Corporate services		326,812	310,254
LAB project expenditure		-	91,226
MONA FOMA expenditure		457,046	775,848
Tenants and facilities		513,938	479,752
Amortisation	2	53,670	53,238
Depreciation	3	17,455	18,208
<b>Total Expenses</b>		<b>1,714,339</b>	<b>2,196,445</b>
<b>Net Surplus/(deficit) for the year</b>		<b>(26,425)</b>	<b>(50,764)</b>
<b>Total Comprehensive Income</b>		<b>(26,425)</b>	<b>(50,764)</b>

The accompanying notes form part of these financial statements

# Salamanca Arts Centre

## Statement of Financial Position

As At 31 December 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	447,358	454,676
Trade and other receivables	5	129,626	314,712
Other assets	6	550	550
<b>TOTAL CURRENT ASSETS</b>		<u>577,534</u>	<u>769,938</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	2,544,923	2,563,368
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,544,923</u>	<u>2,563,368</u>
<b>TOTAL ASSETS</b>		<u>3,122,457</u>	<u>3,333,306</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	56,488	159,791
Short-term provisions	9	59,187	47,009
Other liabilities	10	223,846	300,481
<b>TOTAL CURRENT LIABILITIES</b>		<u>339,521</u>	<u>507,281</u>
<b>NON-CURRENT LIABILITIES</b>			
Other long-term provisions	9	9,126	27,251
Other liabilities	10	28,786	27,325
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>37,912</u>	<u>54,576</u>
<b>TOTAL LIABILITIES</b>		<u>377,433</u>	<u>561,857</u>
<b>NET ASSETS</b>		<u>2,745,024</u>	<u>2,771,449</u>
<b>EQUITY</b>			
Accumulated surpluses		695,024	721,449
Reserves		2,050,000	2,050,000
<b>TOTAL EQUITY</b>		<u>2,745,024</u>	<u>2,771,449</u>

The accompanying notes form part of these financial statements

# Salamanca Arts Centre

## Statement of Changes in Equity

For the Year Ended 31 December 2010

2010

	<b>Accumulated Surpluses</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 January 2010	721,449	2,050,000	2,771,449
Total comprehensive income	(26,425)	-	(26,425)
<b>Balance at 31 December 2010</b>	<b>695,024</b>	<b>2,050,000</b>	<b>2,745,024</b>

2009

	<b>Accumulated Surpluses</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 January 2009	772,213	2,050,000	2,822,213
Total comprehensive income	(50,764)	-	(50,764)
Transfers to and from reserves	-	-	-
<b>Balance at 31 December 2009</b>	<b>721,449</b>	<b>2,050,000</b>	<b>2,771,449</b>

The accompanying notes form part of these financial statements

# Salamanca Arts Centre

## Statement of Cash Flows

For the Year Ended 31 December 2010

	2010	2009
Note	\$	\$
<b>Cash from operating activities:</b>		
Receipts from grants	269,688	328,213
Receipts from fees and charges	1,506,058	1,499,307
Payments to suppliers and employees	(1,730,664)	(2,335,684)
Interest received	20,621	18,699
Interest paid	-	(13)
Net flow from GST	(20,342)	(9,938)
<b>Net cash provided by (used in) operating activities</b>	11(b) 45,361	(499,416)
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(1,799)	(11,936)
Purchase of leasehold improvements	(50,880)	(53,599)
<b>Net cash provided by (used in) investing activities</b>	(52,679)	(65,535)
<b>Cash flows from financing activities:</b>		
Repayment of loan accounts	-	(1,405)
<b>Net cash provided by (used in) financing activities</b>	-	(1,405)
<b>Net increase (decreases) in cash held</b>	(7,318)	(566,356)
Cash at beginning of financial year	454,676	1,021,032
<b>Cash at end of financial year</b>	11(a) 447,358	454,676

The accompanying notes form part of these financial statements

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 1 Summary of Significant Accounting Policies

#### (a) General Information

The financial report is for Salamanca Arts Centre as an individual entity, incorporated and domiciled in Australia. Salamanca Arts Centre is a company limited by guarantee.

#### (b) Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users dependent on general purpose financial reports. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes. The accounting policies have been adopted in the preparation of these statements are as follows.

#### (c) Comparative Figures

When appropriate comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### (d) 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.

#### (e) Trade and other receivables

The company provides an allowance for losses on trade receivables based on a review of the current status of existing receivables and management's evaluation of periodic aging of accounts.

#### (f) Property, Plant and Equipment

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

##### Leasehold Property

The Arts Centre lease was brought to account during 1998 based upon a Colliers Jardine valuation of November 1995. Leasehold Improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 1 Summary of Significant Accounting Policies (cont'd)

#### (f) Property, Plant and Equipment (cont'd)

##### Plant and equipment

Plant and equipment are measured on the cost basis less, where applicable, any accumulated depreciation.

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life 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.

Capital expenditure from the receipt of grant funding is recognised as an expense in the Statement of Comprehensive Income.

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

##### Class of Fixed Asset

Arts Centre Lease at Valuation	1%
Office Furniture and Equipment	15%
Peacock Theatre Equipment	15%
Leasehold improvements	2.5%
Theatre Improvements	2.5%
1 Kelly Street - Writers Cottage	10%

#### (g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at their nominal amount (excluding on-costs). Sick leave has not been accrued at all. It is the company's policy to provide a benefit of thirteen weeks of long service leave after ten years. A pro rata benefit is brought to account after an employee obtains seven years of service.

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

#### (h) Provisions

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

# **Salamanca Arts Centre**

## **Notes to Financial Statements**

**For the Year Ended 31 December 2010**

### **1 Summary of Significant Accounting Policies (cont'd)**

#### **(i) Revenue and Other Income**

Grant revenue is recognised over the period to which the Grant agreements relate.

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

Interest revenue is recognised over the period in which the funds were invested.

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

Rent revenue from rental properties and leases is recognised when the company has the right to receive the rent in accordance with the rental agreements.

Other revenue is recognised when the right to receive the revenue has been established.

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

#### **(j) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### **(k) Income Tax**

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

#### **(l) Leases**

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

#### **(m) Trade payables**

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

#### **(n) Unexpended Grant Funds**

It is the policy of the company to treat grant monies as unexpended grant liabilities in the statement of financial position where the association is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 2 Amortisation

	2010	2009
	\$	\$
Arts centre lease	25,000	25,000
Leasehold improvements	26,762	26,330
Peacock theatre improvements	1,908	1,908
	<u>53,670</u>	<u>53,238</u>

### 3 Depreciation

	2010	2009
	\$	\$
1 Kelly St refurbishment	1,625	1,625
Office furniture and fittings	3,292	4,164
Peacock theatre equipment	12,539	12,419
	<u>17,456</u>	<u>18,208</u>

### 4 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash on hand	1,009	1,000
Cash at bank	63,076	89,600
Short-term bank deposits	383,273	364,076
	<u>447,358</u>	<u>454,676</u>

### 5 Trade and other receivables

	2010	2009
	\$	\$
CURRENT		
Trade receivables	111,729	312,078
Provision for impairment of receivables	(1,989)	(1,989)
	<u>109,740</u>	<u>310,089</u>
Other receivables	19,886	4,623
	<u>129,626</u>	<u>314,712</u>

### 6 Other Assets

	2010	2009
	\$	\$
CURRENT		
Prepayments	550	550
	<u>550</u>	<u>550</u>

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 7 Property, Plant and Equipment

	2010	2009
	\$	\$
LAND AND BUILDINGS		
Arts Centre Lease		
At valuation	2,205,000	2,205,000
Accumulated amortisation	(324,840)	(299,840)
Total arts centre lease	<u>1,880,160</u>	<u>1,905,160</u>
PLANT AND EQUIPMENT		
Office furniture and equipment		
At cost	52,003	50,204
Accumulated depreciation	(43,413)	(40,121)
Total office furniture and equipment	<u>8,590</u>	<u>10,083</u>
Office equipment		
At cost	94,043	94,043
Accumulated depreciation	(58,255)	(45,716)
Total office equipment	<u>35,788</u>	<u>48,327</u>
Leasehold improvements		
At cost	997,205	946,324
Accumulated amortisation	(417,774)	(391,012)
Total leasehold improvements	<u>579,431</u>	<u>555,312</u>
Theatre improvements		
At cost	88,698	88,698
Accumulated amortisation	(50,071)	(48,164)
Total theatre improvements	<u>38,627</u>	<u>40,534</u>
1 Kelly Street - Writer College		
At cost	17,654	17,654
Accumulated depreciation	(15,327)	(13,702)
Total 1 Kelly Street, Writer College	<u>2,327</u>	<u>3,952</u>
Total plant and equipment	<u>664,763</u>	<u>658,208</u>
Total property, plant and equipment	<u><u>2,544,923</u></u>	<u><u>2,563,368</u></u>

### 8 Trade and other payables

	2010	2009
	\$	\$
CURRENT		
Trade payables	25,586	101,849
Accrued expenses	10,414	10,000
GST payable/(receivable)	11,995	32,337
PAYG Withholding	4,498	10,908

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 8 Trade and other payables (cont'd)

	2010	2009
	\$	\$
Other payables	1,127	(311)
Superannuation Payable	2,868	5,008
	<u>56,488</u>	<u>159,791</u>

### 9 Provisions

#### Analysis of Total Provisions

	2010	2009
	\$	\$
Current	59,187	47,009
Non-current	9,126	27,251
	<u>68,313</u>	<u>74,260</u>
<b>CURRENT</b>		
Annual leave	28,589	38,962
Long service leave	30,598	8,047
	<u>59,187</u>	<u>47,009</u>
<b>NON-CURRENT</b>		
Long service leave	9,126	27,251
	<u>9,126</u>	<u>27,251</u>

### 10 Other Liabilities

	2010	2009
	\$	\$
<b>CURRENT</b>		
Artistic funds	2,500	2,500
Grants in advance	191,848	269,792
Rent in advance	29,498	28,189
	<u>223,846</u>	<u>300,481</u>
<b>NON-CURRENT</b>		
Other liabilities	2,000	2,000
Rental Bonds	26,786	25,325
	<u>28,786</u>	<u>27,325</u>

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 11 Cash Flow Information

#### (a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:

	Note	2010 \$	2009 \$
Cash and cash equivalents	4	447,358	454,676
		<u>447,358</u>	<u>454,676</u>

#### (b) Reconciliation of Cash Flow from Operations with total comprehensive income

	2010 \$	2009 \$
Net surplus/(deficit)	(26,425)	(50,762)
Non-cash flows in surplus		
Amortisation	53,669	53,238
Depreciation	17,456	18,208
Impairment of receivables	-	(1,010)
Changes in assets and liabilities		
(Increase)/decrease in receivables	185,087	(197,551)
Increase/(decrease) in trade payables and accruals	(179,938)	(328,266)
Increase/(decrease) in other payables	1,461	(16,675)
Increase/(decrease) in provisions	(5,949)	23,402
Cash flow from operations	<u>45,361</u>	<u>(499,416)</u>

### 12 Grants Received

During 2010 the following grants and program support (excluding GST) were received

	2010 \$
Australia Council	105,000
Hobart City Council	58,844
Hobart Summer Festival	12,000
Screen Tasmania	16,000
Tasmanian Polytechnic	93,068
Tasmanian Community Fund	27,825
Department of Economic Development Tourism and the Arts	25,000
Contemporary Art Services of Tasmania	2,000
	<u>339,737</u>

# Salamanca Arts Centre

## Notes to Financial Statements

For the Year Ended 31 December 2010

### 13 Capital and Leasing Commitments

#### Capital Expenditure Commitments

There are no capital or leasing commitments as at reporting date to be disclosed.

#### Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	2010	2009
	\$	\$
Payable - minimum lease payments:		
- not later than 12 months	3,587	3,587
- between 12 months and 5 years	4,185	7,773
	<hr/> 7,772	<hr/> 11,360

Operating Lease Commitments relates to a photocopier.

### 14 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ NIL each towards meeting any outstanding and obligations of the company. At 31 December 2010 the number of members was NIL (2009: NIL).

### 15 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be disclosed.

### 16 Events After Balance Date

There are no known events after balance date affecting this financial report to be disclosed.

### 17 Company Details

#### Registered office

The registered office of the company is:  
Salamanca Arts Centre  
77 Salamanca Place  
BATTERY POINT TAS 7004

# Salamanca Arts Centre

## Auditors' Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards or the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

WHK

Alison Flakemore  
**Audit Partner**

Dated this      day of                      2011.

# **Salamanca Arts Centre**

## **Independent Audit Report to the members of Salamanca Arts Centre**

### ***Report on the Financial Report***

We have audited the accompanying financial statements, being special purpose financial statements, of Salamanca Arts Centre, which comprises the statement of financial position as at 31 December 2010, the statement of comprehensive income, statement of cash flows and the statement of changes in equity for the year ended that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

### ***Directors' Responsibility for the Financial Report***

The directors of the company are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the director's financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

# Salamanca Arts Centre

## Independent Audit Report to the members of Salamanca Arts Centre

### *Independence*

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Salamanca Arts Centre, would be in the same terms if provided to the directors as at the time of the auditor's report.

### *Opinion*

In our opinion the financial statements presents fairly, in all material aspects, the financial position of the Salamanca Arts Centre as at 31 December 2010 and its financial performance and cash flows for the year then ended in accordance with the *Corporations Act 2001* and the Australian Accounting Standards (including Australian Accounting Interpretations) to the extent described in Note 1.

### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the director's financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

WHK

Alison Flakemore  
**Audit Partner**

### **Auditor Qualifications**

Bachelor of Commerce with Honours  
Registered Company Auditor No. 241220  
Institute of Chartered Accountants Australia No. 96387

Dated this     day of                             2011.