

Canberra Glassworks Ltd

An ACNC registered company limited by guarantee

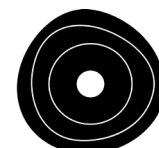
Annual Report

11 Wentworth Avenue

Kingston ACT 2604

An ACT Government owned arts facility

ABN 22 120 881 898



FROM THE CHAIR

CHAIR REPORT 2023

It gives me great pleasure to present the 2023 annual report, reflecting on another stellar year for the Canberra Glassworks. This is the first year of our new 5-year strategic plan and first year of a new 5-year Key Arts Organisation funding agreement with the ACT Government. This year is also the latest in a run of successful years for this national treasure and global leader.

The success of our institution is built on a strong foundation of people and partnerships.

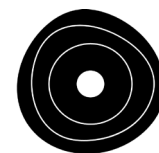
I would like to begin this report by thanking:

- The brilliant leadership team: Elizabeth Rogers, Aimee Frodsham and Tom Rowney
- Our wonderful staff – working across artistic and public programs, administration, facilities management, marketing, retail and more.
- My board colleagues – with a special thank you to Brendan Smyth and Kelli Cole who completed their terms on the Board during 2023
- Artist Board Advisers Spike Deane and Mel Douglas
- All of the artists we have seen in the past year – long term relationships and newer ones – for the inspiring work they do, the knowledge they share and the pride they bring as we watch their success around the world.
- Our funding partners:
 - The ACT Government, through artsACT, as our founding body and continuing major funding partner recognises us as a Key Arts Organisation in the ACT
 - Creative Australia for project funding for our residency program.
 - The Art Group for renewing their sponsorship support for the Art Group Creative Fellow.

Let's look at why I thought the 'thank you' notes needed to be upfront this year. 2023 was another year full of diverse activity, including:

- 18 residencies
- 10 artist studios
- 406 Make Your Own sessions
- 3 professional masterclasses
- 18 school groups with 485 participants
- 78 public tours with 581 participants
- Over \$400,000 sales of items through the shop – helping artists develop and maintain positive economic outcomes from their work.

The support of residencies, fellowships and visiting artists is one of our most successful long-term activities – introducing glass to established artists from other media, allowing glass artists to experiment with new ideas and techniques and spreading the reputation of our institution across the country and around the world.



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In 2023, some of the highlights were:

- Star of the Netflix series, *Blown Away*, **Alex Rosenberg** from the USA visited the Glassworks and delivered three glassblowing demonstrations in our hotshop as part of Science Week. He was assisted by Tom Rowney and Annette Blair for the private VIP event and by Tom Rowney and Dylan McCracken for the public events which were commented by Aimee Frodsham and Jeffery Sarmiento.
- Designer and printmaker **April Phillips** was commissioned to create ambitious new works for the exhibition, *Memphis Now*. Phillips developed an editioned series of prints during a residency at Megalo Print Studio and produced hand-blown lighting and vessels in collaboration with glassblower Tom Rowney.
- Celebrated gilder, **Will Lynes**, taught an intensive three-day course focusing on traditional gilding and paint techniques on glass. Will guided students through various types of gold leaf applications, hand painted brush blending, abalone and mother-of-pearl shell inlays, gold leaf gradients and water marbling. Artist, Zoe Brand used her newly gained technique to create an installation of glass art works for her exhibition *What Gave You That Idea?*

Showcasing the brilliance of our artists, this year we saw major exhibitions by:

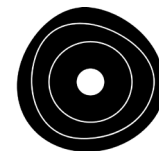
- Hannah Glasson, *Twelve Hours of Daylight* installation commissioned by the Canberra Centre as part of Floriade. 1.7 million people passed by this exhibition and the work has been acquired by CMAG.
- Lisa Sammut, *Nightshifts* group exhibition at Buxton Contemporary Melbourne.
- Mel Douglas, solo exhibition *Luminance* at Caterina Tognon Arte Contemporanea, Venezia, Italy.

And, our course, our own exhibition program, featuring two group shows and four solo shows.:

- **Net Worth**, Louis Grant, Jessica Murtagh, Madisyn Zabel, Shirley Jianzhen Wu
- **Aventurine Spirit**, Tom Rowney
- **Baayangalibiyaay**, Lucy Simpson
- **What Gave You that Idea?** Zoe Brand
- **a circular logic**, Lisa Sammitt
- **Memphis Now**, Judi Elliott, April Phillips, Ham Darroch, Drew Spangenberg, Kate Bonazi, Gibson Karlo

Reaping the rewards of several successful years on the business front, we came into 2023 with a strong financial base and decided to invest in new capability and activities with a focus on the future. The Board accepted that making investments requires resources and planned for a year where we would, as best, only make a very small surplus. In the end, we have recorded a small deficit of \$92,068 and we will need to consider investing to the same extent in 2024, but we are confident that we will see dividends from this effort with just a few years.

One of the key investments was establishing a Canberra Glassworks presence at the Melbourne Design Fair in May 2023. This event is one of Australia's most prestigious showcases of leading design, and our participation is part of a deliberate move to demonstrate the contribution that we make, and can continue to make, to Australian design on the global stage.



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Our display featured a partnership with Yuwaalaraay wirringgaa woman Lucy Simpson and her *Dhanggal* body of work. *Dhanggal* focusses on the cultural importance of freshwater mussel shells, and our custom packaged presentation of Lucy's unique pieces of work allows purchasers to make their own individual connection with Lucy and her country, as well as with glass art and the Canberra Glassworks. It is a magical connection of the ancient culture of this nation, the very best of modern glass art, of skilled artists and inspiring storytelling. Put simply, it was the perfect way to open our relationship with Melbourne Design Fair. *Dhanggals* are now stocked at Craft Victoria, Melbourne, Museum of Contemporary Art, Sydney and the Western Australian Art Gallery, Perth.

As I write this report, my final as Chair, I reflect on the 6 years that I have been on the Board – seeing the organisation diligently work through a couple of tough financial years, helping our people come together to support each other and their art through the pandemic interruptions and now being in a position where we can invest in the future – it has been a remarkable period. I am so grateful for the opportunity to have been part of this artistic ecosystem, to make my small contribution and to have gained so much more back in knowledge and community spirit. I'll always be a supporter and I look forward to seeing the next round of growth and success.

Gary Rake, Chair



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DIRECTORS' REPORT

The Directors of Canberra Glassworks Limited present their report together with the financial statements of the entity for the year ended 31 December 2023 and the Independent Audit Report thereon.

DIRECTORS' DETAILS

The following persons were Directors of Canberra Glassworks during the financial year.

Gary Rake

BEcon, MAcc, GAIDC

Chair since 30 April 2020

Treasurer since 25 January 2018

Director since 25 January 2018

An economist and accountant by profession, Gary has held senior positions in the public and private sectors with responsibilities covering construction regulation, urban planning, asset management, financial management, human resources, criminal and civil investigations, marketing and internal audit.

Liz Nield OAM

BArts, LLB

Deputy Chair since 30 April 2020

Director since 3 April 2019

Liz has more than three decades' leadership experience in prestigious arts organisations including Opera Australia, English National Ballet, the National Portrait Gallery and Bell Shakespeare. She has specialised in marketing, communications and philanthropy, advocating on behalf of arts audiences, donors, partners, government agencies and members. She has served on the board of Australian Theatre of the Deaf, Sydney Chamber Opera and the Australian Romantic and Classical Orchestra. In 2020 she was awarded the Order of Australia Medal for services to the performing and visual arts.

Peter Wilkinson

BMusPerf GDipSocSci GAICD CCRO FRMIA

Director since 24 November 2022

Treasurer since 30 March 2023

Peter's career has focused on designing and delivering organisational, project and program improvement. He is an expert facilitator, trainer and coach in the fields of risk, strategy and governance. Peter achieves his purpose by creating sustainable solutions and generating large scale impacts in organisations, projects and communities.



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Peter Baker

BArts, LLB

Director since 26 September 2019

Chair of Audit and Risk Committee since 30 March 2023

Peter is a Senior Associate at the law firm King & Wood Mallesons. He has previously worked with Westpac, JB Were, Bank of America and BT Financial Group.

Rebecca Edwards

BArts (Hons), PhD

Director since 3 April 2019

Rebecca is Curator, Australian Art at the National Gallery of Australia, Canberra. She has held numerous curatorial roles at both the National Gallery and the National Gallery of Victoria, Melbourne. She completed a PhD at the University of Melbourne in 2019.

Trevor Lloyd

BA, LLB, FAICD

Director since 30 March 2023

Trevor is experienced as a director, manager and commercial lawyer in various sectors including engineering, insurance, the public sector and charitable and not for profit activities. He has held general counsel and risk management roles and roles as a regulator. In a commercial context he is currently a director of companies operating the businesses trading as Australian Maritime Technologies (a ship design business) and Archicentre Australia

Katherine Nguyen

BArts, MArH, MCur, DipLCM

Director since 3 April 2019

Katherine is a museum and arts professional with over 18 years' experience in the cultural sector, working across curatorial and exhibition development, public and online engagement, as well as project, event, and collection management. Most recently, she has been employed with the Parliament House Art Collection as Assistant Director, Projects & Engagement, managing a range of programs including the delivery of services to parliamentarians and temporary exhibitions and displays. Katherine received the Australasian Registrars Committee Achievement Award for leadership and dedication to the field of Museum Registration and Collection Management in 2018.



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Anne-Marie Perret

GDiplInv-Sec, LLB, GAIDC
Director since 25 January 2018

Anne-Marie has had a varied career applying her skills and capabilities with both private and public sector organisations. She has worked with HSBC in Hong Kong, Ernst & Young and PwC in Canberra and now works independently assisting high growth technology clients with funding, governance and growth.

She is actively involved in high growth innovative and entrepreneurial companies through her roles in Griffin Accelerator as an Angel Investor and a director of Griffin Accelerator Holdings Pty Ltd and a member of the ACT Government's Renewable Energy Innovation Fund Business Advisory. She is also President of the Australian Institute of Company Directors ACT Divisional Council, board member of Brumbies Rugby and past board member of Capital Artists Patrons Organisation.

Kellie Cole

BArts
Director from 26 March 2020 until 30 March 2023
Warumungu/Luritja peoples

Kelli Cole is a Warumunga and Luritja woman from central Australia and curator of Special Projects for the Aboriginal and Torres Strait Islander Art Department at the National Gallery of Australia, Canberra. She has worked on major projects at the Gallery since 2007, including the National Indigenous Art Triennial in 2007 and 2012, 2018, 2021 and assisted in the development of the Aboriginal and Torres Strait Islander galleries in 2010.

Brendan Smyth

Director from 26 November 2016 until 30 March 2023

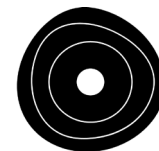
Commissioner for International Engagement within the ACT Government.
Former Member, and Leader of the Opposition, of the Australian Capital Territory Legislative Assembly representing the electorate of Brindabella for the Liberal Party from 1998 to 2016.

VISION

Canberra Glassworks is a centre of excellence for the creation of studio glass, recognised nationally and internationally.

PURPOSE

Canberra Glassworks is a major ACT arts centre that provides a range of well-equipped workshops for artists to develop and create works using the medium of glass. Established in 2007, it operates within the historic Kingston Powerhouse - a building that was Canberra's first major public building and played a critical role in the early development of Canberra. Opened in 1915, the Powerhouse has a National and ACT Heritage listing.



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Canberra Glassworks provides a state-of-the-art facility where all artists can realise their creative ambitions, where community and visitors are welcomed and where a showcase for high quality bespoke studio glass is presented.

Built on the land of the Ngunnawal and Ngambri people who used the site as a meeting and gathering place, practising their culture on the banks of the Molonglo River for millennia, Canberra Glassworks acknowledges and respects the traditional custodians of the land on which it is located.

Canberra Glassworks is an active supporter of, and participant in, the pursuit of an ambition for Canberra to be recognised as Australia's arts capital.

PRINCIPAL ACTIVITIES

During the year the principal activities of the company were to:

- Provide state of the art facilities in which studio glass artists were able to undertake their artistic practice
- Support a residency program for visiting artists to utilise the facilities in order to grow their expertise and practice
- Develop a program of curated exhibitions open to the public featuring exemplary work of glass artists
- Provide a retail outlet for sale of bespoke studio glass objects
- Enable learning and engagement with glass making processes through offering a range of workshops to the general public
- Undertake commissions for artworks and limited editioned objects created in glass
- Make studio spaces available for hire to glass artists

STRATEGIC PLAN 2023 – 2027

The 2023 – 2027 Strategic Plan identifies four strategic objectives that promote the growth and the development of glass and an artistic medium; that invests in developing career pathways, increasing skills and growing incomes for our artists and arts workers, that renews and develops partnerships across the arts, business and tourism sectors; that deepens engagement with visitors, customers and the Canberra community; and that ensures Canberra Glassworks has the funds, people and technical resources to underpin its ambition.

- 1. Raise the profile of studio glass locally, nationally and internationally.**
- 2. Grow the skills and capacity of all our people.**
- 3. Develop collaborative and open engagement with all our partners and stakeholders.**
- 4. Build financial, technical, and human resources to support our vision.**



DIRECTORS MEETINGS

The number of meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

	A	B
Gary Rake	7	6
Liz Nield OAM	7	7
Peter Wilkinson	7	6
Peter Baker	7	7
Rebecca Edwards	7	6
Trevor Lloyd	5	5
Katherine Nguyen	5	7
Anne-Marie Perret	7	6
Kelli Cole	2	1
Brendan Smyth	2	2

Where:

column A is the number of meetings the Director was entitled to attend

column B is the number of meetings the Director attended

CONTRIBUTIONS IN WINDING UP

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 \$20 each towards meeting any outstanding obligations of the entity. At 31 December, 2023, the total amount that members of the Company are liable to contribute if the Company wound up is \$160.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by the Corporations Act 2001 is attached. This forms part of the Directors' Report for the financial period ended 31 December 2023.

Signed in accordance with a resolution of the Directors.

Gary Rake
Chair

Canberra
Dated this day of March 2024



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DIRECTORS' DECLARATION

31 December 2023

- (a) the financial statements and notes satisfy the requirements of the *Australian Charities and Non-for-profit Commission Act 2012* and:
- (i) give a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosures;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the Board

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Gary Rake

Chair

Canberra

Dated this day of March 2024

Auditor's Declaration

<To be provided by auditors >

Audit Report
<To be provided by Auditors>

Audit Report

<To be provided by Auditors>

Statement of Comprehensive Income

For the year ended 31 December 2023

	Notes	2023	2022
		\$	\$
Revenue			
Operating income	2	2,499,996	2,418,596
Other income	2	36,512	4,126
		2,536,508	2,422,722
Expenses			
Cost of sales		(875,414)	(655,556)
Administrative		(200,623)	(217,778)
Employee benefits	3	(1,156,506)	(993,852)
Building		(286,199)	(325,210)
Insurance		(22,034)	(20,157)
Marketing and sponsorship		(51,763)	(36,768)
Workshop and equipment maintenance		(36,037)	(28,682)
		(2,628,576)	(2,278,003)
		(92,068)	144,719
Other comprehensive income		-	-
Net surplus for the year		(92,068)	144,719
Less: transfer from/(to) reserves	17	28,103	21,771
Total comprehensive income for the year		(63,965)	166,490

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 31 December 2023

	Notes	2023	2022
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	4	1,102,098	1,203,018
Trade and other receivables	5	115,864	108,174
Inventories	6	103,067	69,737
Other current assets	7	7,452	6,204
Total current assets		1,328,481	1,387,133
Non-current assets			
Plant and equipment	8	83,759	82,020
Intangibles	9	13,894	17,199
Total non-current assets		97,653	99,219
TOTAL ASSETS		1,426,134	1,486,352
LIABILITIES			
Current liabilities			
Trade and other payables	10	182,642	165,548
Provisions	11	69,835	58,713
Unearned income	12	215,003	215,478
Total current liabilities		467,480	439,739
Non-current liabilities			
Provisions	11	15,117	11,008
Total non-current liabilities		15,117	11,008
TOTAL LIABILITIES		482,597	450,747
NET ASSETS		943,537	1,035,605
EQUITY			
Accumulated funds		675,033	738,998
Thomas Foundation Reserve	17	268,504	296,607
TOTAL EQUITY		943,537	1,035,605

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 31 December 2023

	Notes	Accumulated funds \$	Reserves \$	Total Equity \$
Balance as at 1 January 2022		572,508	318,378	890,886
Net surplus for the year		144,719	-	144,719
Direct movements in the Thomas Foundation reserve	17	21,771	(318,378)	(296,607)
Direct movements in the Special Projects reserve	17	-	296,607	296,607
Balance as at 31 December 2022		738,998	296,607	1,035,605
Balance as at 1 January 2023		738,998	296,607	1,035,605
Net surplus for the year		(92,068)	-	(92,068)
Direct movements in the Special Projects reserve	17	28,103	(28,103)	-
Balance as at 31 December 2023		675,033	268,504	943,537

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 31 December 2023

Notes	2023	2022
	\$	\$
Cash flows from operating activities		
Receipts from customers and others	1,809,594	1,687,455
Receipt of grants from artsACT	935,000	885,948
Payments to suppliers and employees	(2,861,719)	(2,498,471)
Interest received	36,512	4,126
Net cash provided by operating activities	(80,613)	79,058
Cash flows from investing activities		
Purchase of plant and equipment and intangibles	(20,307)	(1,730)
Net cash used in investing activities	(20,307)	(1,730)
Net increase / (decrease) in cash and cash equivalents	(100,920)	77,328
Cash and cash equivalents at the beginning of the financial year	1,203,018	1,125,690
Cash and cash equivalents at the end of the financial year	1,102,098	1,203,018

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1: Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(p).

(c) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grant income and donations

The Company is a not-for-profit entity and receives a principal part of its funds from grants and donations. Income arising from the contribution of an asset to the Company shall be recognised when, and only when, all the following conditions have been satisfied:

- the Company obtains control of the contribution or the right to receive the contribution;
- it is probable that the economic benefits comprising the contribution will flow to the Company; and
- the amount of the contribution can be measured reliably.

Education income

Revenue from providing education workshops and courses are recognised by reference to the delivery of the product or services rendered.

Hire income

The Company derives revenue from hiring specialist glass making equipment and facilities to artists, occupancy of the venue for functions and events, and from the licensing of the café.

Special commissions income

The Company derives income from creating special in-house glass art commissions and is recognised when received or receivable. Organisations which engaged the Company for awards, corporate gifts and other forms of glass art included Jardan and Bloomburys.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1: Summary of significant accounting policies (continued)

(c) Revenue recognition (continued)

Sale of artworks and merchandise

Revenue from sale of artwork and merchandise is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue

Revenue is recognised as interest accrued using the effective interest method.

Deferred income

Deferred income consists of fees received for classes held after the end of financial year. Deferred income is not recognised as revenue until such time when the services have been provided.

(d) Income taxes and other taxes

The Company is exempt from income tax pursuant to Subdivision 50A of the *Income Tax Assessment Act, 1997*. The Company is registered by the Department of Infrastructure, Transport, Regional Development and Communications of Cultural Organisations for the purposes of obtaining Deductible Gift Recipient status.

Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the balance sheet.

(e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as

(f) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt.

(g) Inventories

Inventories including raw material and finished goods are valued at the lower of cost and current replacement cost.

Cost incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and finished goods - purchase cost on a first-in, first-out basis. The cost of purchase comprises the purchase price including transport, handling and other costs directly attributable to the acquisition.

(h) Plant and equipment

Plant and equipment, for which the Company is responsible for, is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Items of plant and equipment that are assets of the ACT Government, including all the equipment in the various workshops including kilns, glory holes, grinding flat beds, sand blasters, for which the ACT Government pays for all servicing and maintenance, are not recognised in the financial statements of the Company.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Office refurbishment - 10 years
- Furniture and fittings - 10 years
- Plant and equipment - 4 to 5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1: Summary of significant accounting policies (continued)

(i) Intangible assets*Computer software*

Costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Cost capitalised include external direct costs of materials and service. Amortisation is calculated on a straight-line basis over 2.5 years.

Lease Inducement

Costs incurred in redeveloping the on-site cafe space to attract a high quality cafe operator that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to Lease Inducement. Cost capitalised include Canberra Glassworks contribution payments to the whole project. Amortisation is calculated on a straight-line basis over the life of the current lease period and will be reviewed on an annual basis.

(j) Trade and other payables

Trade and other payables are stated at their amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligations.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(l) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave and other leave entitlements; and
- other types of employee entitlements,

are charged against surpluses on a net basis in their respective categories.

The contributions made to superannuation funds are charged to the statement of comprehensive income.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows

(m) Accumulated funds

Accumulated funds are available for programs and support services in future financial years.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1: Summary of significant accounting policies (continued)

(n) Impairment of assets

(i) Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimate future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest

All impairment losses are recognised in comprehensive income. Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the statement of comprehensive income. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro-rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. As a not-for-profit entity, the Company assesses the value in use as the depreciated replacement cost of the asset when the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits.

(o) Nature and purpose of reserve

Special Project Reserve

This reserve has been created following the winding up of the Thomas Foundation during 2022, with the balance held as a separate term deposit. The reserve is used to fund special projects at the direction of the Board.

(p) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the report amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial

(i) Significant accounting judgements

There are no significant accounting judgements.

(q) Comparative information

Where required, certain comparative information has been reclassified to comply with current year disclosure requirements.

Notes to the Financial Statements

For the year ended 31 December 2023

Notes	2023 \$	2022 \$
Note 2: Revenue		
Operating income		
Grant income from artsACT	850,000	805,407
Grant income from Australia Council	195,714	136,868
Other Grant income	79,114	80,335
Donation and sponsorships	46,928	53,852
Public programs	318,212	239,930
Sale of artworks and merchandise	494,364	404,920
Hire income	114,782	146,945
Special Commissions income	275,204	438,394
Café Rent Income	125,678	111,945
	2,499,996	2,418,596
Other income		
Interest income - Other	36,512	4,126
	36,512	4,126
	2,536,508	2,422,722

Note 3: Expenses

Net surplus/(deficit) for the year includes the following specific expenses:

Employee benefits expenses:

Wages and salaries		996,907	861,987
Superannuation		106,948	89,421
Other employee benefits expense		52,651	42,444
		1,156,506	993,852

Depreciation expense	8	18,568	23,241
Amortisation expense	9	3,305	8,882
		21,873	32,123

Remuneration of auditors:

An audit of the financial report		8,000	8,000
Other services		1,500	1,500
		9,500	9,500

Note 4: Cash and cash equivalents

Cash at bank		833,594	906,411
Cash at bank - Funds held in reserve (Note 17)		268,504	296,607
		1,102,098	1,203,018

Funds held in reserve represents the balance of funds transferred from the Thomas Foundation upon its closure in 2022 to a Special Projects reserve, less amounts spent.

Notes to the Financial Statements

For the year ended 31 December 2023

Notes	2023 \$	2022 \$
Note 5: Trade and other receivables		
Trade receivables	115,864	108,174
Allowance for doubtful debts	-	-
	115,864	108,174

(a) Trade and other receivables

The ageing analysis of trade and other debtors is as follows:

	Not Considered Impaired	Considered Impaired	Total
	\$	\$	\$
At 31 December 2022			
Current	37,098	-	37,098
1-30 days past due	57,468	-	57,468
31+ days past due	13,608	-	13,608
	108,174	-	108,174
At 31 December 2023			
Current	49,815	-	49,815
1-30 days past due	38,505	-	38,505
31+ days past due	27,544	-	27,544
	115,864	-	115,864

Collateral is not normally obtained.

Note 6: Inventories		
Raw materials and consumables (at cost)	55,527	36,775
Finished goods (at cost)	47,540	32,962
	103,067	69,737

Note 7: Other current assets		
Prepayments	7,452	6,204

Notes to the Financial Statements

For the year ended 31 December 2023

Note 8: Plant and equipment

	Notes	Office Refurbishment \$	Furniture & Fittings \$	Plant & Equipment \$	Total \$
At 31 December 2022					
Net book value as at 1 January 2022		69,828	863	33,577	104,268
Additions (at cost)		-	1,067	663	1,730
Disposals		-	(31)	(706)	(737)
Depreciation expense	3	(7,770)	(224)	(15,247)	(23,241)
Net book value as at 31 December 2022		62,058	1,675	18,287	82,020
Cost		77,704	38,842	158,385	274,931
Accumulated depreciation		(15,646)	(37,167)	(140,098)	(192,911)
Net carrying amount		62,058	1,675	18,287	82,020

	Notes	Office Refurbishment \$	Furniture & Fittings \$	Plant & Equipment \$	Total \$
At 31 December 2023					
Net book value as at 1 January 2023		62,058	1,675	18,287	82,020
Additions (at cost)		-	2,401	17,906	20,307
Disposals		-	-	-	-
Depreciation expense	3	(7,770)	(310)	(10,488)	(18,568)
Net book value as at 31 December 2023		54,288	3,766	25,705	83,759
Cost		77,704	41,243	176,291	295,238
Accumulated depreciation		(23,416)	(37,477)	(150,586)	(211,479)
Net carrying amount		54,288	3,766	25,705	83,759

Note 9: Intangibles

	Notes	Lease Inducement \$	Computer Software \$	Total \$
At 31 December 2022				
Net book value as at 1 January 2022		3,250	22,831	26,081
Additions (at cost)		-	-	-
Amortisation expense	3	(3,250)	(5,632)	(8,882)
Net book value as at 31 December 2022		-	17,199	17,199
Cost		130,000	43,460	173,460
Accumulated amortisation		(130,000)	(26,261)	(156,261)
Net carrying amount		-	17,199	17,199
At December 2023				
Net book value as at 1 January 2023		-	17,199	17,199
Additions (at cost)		-	-	-
Amortisation expense	3	-	(3,305)	(3,305)
Net book value as at 31 December 2023		-	13,894	13,894
Cost		-	43,460	43,460
Accumulated amortisation		-	(29,566)	(29,566)
Net carrying amount		-	13,894	13,894

Notes to the Financial Statements

For the year ended 31 December 2023

Notes	2023 \$	2022 \$
Note 10: Trade and other payables		
Trade payables	66,760	62,354
Accrued expenses	39,724	38,913
ATO payables	38,685	38,744
Superannuation payable	37,473	25,537
	<u>182,642</u>	<u>165,548</u>

Note 11: Provisions		
Current:		
Recreational leave liability	54,471	51,571
Long service leave liability	15,364	7,142
	<u>69,835</u>	<u>58,713</u>
Non-current:		
Long service leave liability	15,117	11,008

Note 12: Unearned income		
Income in advance	215,003	215,478

Note 13: Related parties and key management personnel disclosures

(a) Details of key management personnel

(i) Directors

Gary Rake	Chair and Treasurer until 30 April 2023
Liz Nield OAM	Deputy Chair
Peter Wilkinson	Treasurer since 30 April 2023
Peter Baker	Director and Chair of Audit and Risk Committee from 30 March 2023
Rebecca Edwards	Director
Trevor Lloyd	Director from 30 March 2023
Katherine Nguyen	Director
Anne-Marie Perret	Director and Chair of Audit and Risk Committee until 30 March 2023
Kelli Cole	Director until 30 March 2023
Brendan Smyth	Director until 30 March 2023

(ii) Executive

Elizabeth Rogers	Chief Executive Officer
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The Directors and board members did not receive any remuneration for their services. The terms and conditions of transactions with Directors and their director-related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non director-related entities on an arm's length basis.

The directors of the Company hold directorship in a number of other organisations. The Company has no dealings with any other related parties.

No loans have been made by the Company to any director or related entity.

A number of directors utilise the facilities at Canberra Glassworks in arms length transactions both at normal market rates and on normal commercial terms.

(b) Compensation of Key Management Personnel

	2023 \$	2022 \$
<i>Compensation</i>		
The aggregate compensation made to the key management personnel of the company is set out below:		
Aggregate compensation	<u>175,514</u>	<u>166,875</u>

Notes to the Financial Statements

For the year ended 31 December 2023

Note 14: Contingent liabilities

There were no contingent liabilities at 31 December 2023 or 31 December 2022.

Note 15: Economic dependency

The Company is financially dependent on the grant income received from artsACT (ACT Government arts agency) to maintain its day-to-day operations. Income received from artsACT contributed 35% of total income received for the year ending 31 December 2023 (33% in 2022).

Note 16: Events occurring after balance sheet date

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 17: Reserves

Thomas Foundation Reserve:

	Notes	2023 \$	2022 \$
Balance as at the beginning of the financial year		-	318,378
MyNorth Investment increase (gross)		-	-
Loss of disposal of MyNorth Investment		-	(21,771)
Reduction in reserve transferred to retained earnings		-	-
Reduction in reserve transferred to Special Projects reserve		-	(296,607)
Balance as at the end of the financial year	4	-	-

Purpose of the Reserve

On 13 March 2009, The Company and Thomas Foundation signed a funding agreement for \$250,000 (the Grant). The reserve was created to record the cumulative balance of funds available. Under the terms of the funding agreement the capital base of \$250,000 was restricted and could not be drawn upon. Instead, the interest earned on the capital base was to be used to fund fellowships for emerging artists to allow their subsidised use of facilities at Canberra Glassworks. The Thomas Foundation was wound up during 2022, with the balance transferred to a Special Projects reserve.

Special Projects Reserve:

Balance as at the beginning of the financial year		296,607	-
MyNorth Investment increase (gross)		-	-
Loss of disposal of MyNorth Investment		-	-
Reduction in reserve transferred to retained earnings		(28,103)	-
Increase in reserve transferred from Thomas Foundation reserve		-	296,607
Balance as at the end of the financial year	4	268,504	296,607

Purpose of the Reserve

The reserve has been created following the winding up of the Thomas Foundation during 2022, with the balance held as a separate term deposit. The interest earned from the term deposit, together with capital components which may be drawn down from time to time, is used to fund special projects at the direction of the Board.

Note 18: Members' guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At 31 December 2023, the number of members was 8.

END OF AUDITED FINANCIAL STATEMENTS