





Head of Music Louise King leads our strings ensemble in their first performance

SOUTH WEST MUSIC  
REGIONAL CONSERVATORIUM

# ANNUAL REPORT

2021-2022

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**South West Music Regional Conservatorium**

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[swmusic.org.au](http://swmusic.org.au)





# SOUTH WEST MUSIC REGIONAL CONSERVATORIUM

## Our vision

Inspiring and enriching lives through music.

## Our purpose

To provide leadership, resources and expertise to ensure that every person has the opportunity to make, learn and appreciate music.

## Our values

- Caring for each other
- Achieving more together
- Breaking down barriers
- Aiming high







# CHAIRPERSON'S REPORT

## Cheryl Fuller



On behalf of the Board, I would like to acknowledge the traditional owners of the land on which our Conservatorium stands. We pay our respect to the Wamba Wamba, Perrepa Perrepa people and to their elders past, present and emerging.

In my last report I spoke of our bright future and the enormous potential for growing our delivery of music education and live performance to more young people, more adults and more schools in more communities. I am proud to say that we have finally had our unwavering persistence and commitment rewarded. The Create NSW Infrastructure funding of \$4.35mill is a game changer. We will no longer be a school without a home. A state of the art facility will ensure that we are able to achieve our vision to inspire and enrich lives through music. It will allow us to maintain, attract and support our staff, enabling them to inspire our students, serve our communities and take music education in our region, to another level.

Music for me is an essential ingredient to a good life. It has given me joy, solace and confidence. It has taught me self-discipline, rewards for effort, resilience, and team work and introduced me to so many amazing people.

I grew up in a house where music was listened to and songs were sung but no one played an instrument. In primary school when I heard my teacher playing the piano, I fell in love with that sound.

I was lucky to have parents who were intent on providing opportunities for their children so when I came home from school and asked if I could learn to play the piano they said yes. I was also lucky to grow up in the city of Wollongong where there was any number of piano teachers. I had to wait until age 8 for my own piano and I had to prove I was serious about this new interest. So for my first year I practised on a keyboard drawn on a piece of cardboard! Occasionally I was allowed to practise on a neighbour's piano but for most of that year, I practised without hearing the sound, except in my head. I am now onto my second piano and I still love to play.

My passion for music education comes from my personal experience. It was all about access. I had access to music in my school and I had access to excellent piano teachers. Every person deserves the same opportunities I had, no matter where they live. That is what drives me and it is what drives our organisation. Our purpose is "to provide leadership, resources and expertise to ensure that every person has the opportunity to make, learn and appreciate music".

Growth and change can be challenging. The board has always believed that there is an untapped market out there and we are committed to providing the necessary resources and expertise to enable access to quality music education throughout our region. We seek to grow and change whilst upholding our values:

- Caring for each other
- Achieving more together
- Breaking down barriers
- Aiming high



Our Strategic Plan for 2022-2025 provides SWM with a clear road map forward. I wish to acknowledge the commitment and hard work of our CEO to implement our plan. Leone Knight has taken on a challenging role, one which has involved a great deal of change management and she deserves to be congratulated on her efforts and perseverance. She has done an amazing job driving our successful funding application! Leone has been able to engage our wonderful Head of Music, Louise King and our highly efficient Project and Events Coordinator, Gemma Rennie. With Anne Atley in the Administration and Finance Manager role we have an excellent operations team.

I thank all of our staff for their contribution to music education and I trust that they feel rewarded for their efforts. A workplace filled with music should always be a fun place to be, in my book. The teachers and our students deserve to feel proud of their achievements.

It was a great thrill for me to receive the 2022 Edward River Council Australia Day Award for contribution to Arts and Culture. This award acknowledges the work of all those who have come before me and those who continue to work for our Conservatorium.

Music certainly makes the world a better place!





# BOARD PROFILES

South West Music Regional Conservatorium is generously supported by a Board of community volunteers.



## Cheryl Fuller

Cheryl Fuller has worked in education for over 40 years, sharing her passion for music through classroom teaching, conducting school choirs and coordinating school musicals. She holds a BA DipEd, Graduate Diploma (Speech & Language) and an AmusA (Pianoforte). She is the Chair and a long standing member of the Board and the Live Music Committee.



## Edwina Circuit

Edwina grew up north of Hay on the One Tree Plains and is passionate about equal access to arts and culture for regional and remote Australians. She has worked extensively for regional arts, museums, First Nations arts centres and peak bodies throughout remote and regional Australia, including the Ngaanyatjarra, APY Lands, Central Desert, Arnhem Land, Far North Queensland, Torres Strait and Kimberley regions, for the past 20 years. Building, empowering and leading sustainable social enterprise ventures hand in hand with communities is central to her work and values. Edwina has a BA in Fine Arts (Hons) and Grad Dip in Museum Studies.



## Geoff Mann

Geoff Mann brings over 30 years of experience in both the development and provision of customer focused services across a range of industries from retail to community service and agribusiness. He has extensive training and experience in corporate governance, risk management and strategic planning and has been involved with South West Music in various capacities for over 30 years.





## Andrew Howley

Andrew Howley brings his experience as a local business owner and former local Councillor and strengths in engineering and problem solving to the Board of South West Music. He is passionate about the service the Conservatorium delivers to the region.



## Dale McNeill

Dale McNeill is a keen musician and songwriter who plays regularly with local bands throughout the region. Dale brings to the Board experience and knowledge in strategic planning, grants applications, project management and an understanding of education principles.



## Tessa Chartres

Tessa Chartres bring over 10 years of corporate experience as an accounting and analytical professional, working across both the public and private sectors. She holds a Bachelors degree in Accounting and is a member of both the Certified Practicing Accountants of Australia and the Australian Institute of Company Directors.

# CEO REPORT

## Leone Knight



Thirty years of vision and courage have been rewarded with South West Music Regional Conservatorium (SWM) receiving \$4.35M to purchase and redevelop the former Commonwealth Bank on Cressy Street Deniliquin. This stunning community achievement under the leadership of Cheryl Fuller and the Board is the outcome of a relentless pursuit to enhance the lives of people in our region through music. A debt of gratitude is owed to our Board who give their time and skills in the service of SWM and the region. Cheryl's commitment was acknowledged with the 2022 Edward River Council Australia Day Award for contribution to Arts and Culture.

The redevelopment of the Conservatorium will deliver an extraordinary community asset. The facility will include state-of-the-art teaching, recording, and production studios, a concert hall, artists in residence unit, a co-working space, and a rooftop performance deck and bar. With full disability access and gender-inclusive bathrooms, it will be a welcoming place for the whole community. The facility will enable deeper engagement with local, regional, and national arts, and educational organisations. This NSW Government commitment ensures a future for music education, performance, and touring artists across the region.

We were also successful in our application to the Department of Education Regional Conservatorium Grant Program for the 2022-2025 Triennium. As NSW Conservatoriums are funded on an activity level and the delivery of music education in our region has been impacted by the pandemic, we were delighted to hear in late August, that our funding will continue at the current level.

In 2022 we developed the 2022 – 2025 Strategic Plan through consultation with staff, volunteers, members, customers, and broad community stakeholders. It incorporated the strategies recommended in the KPMG report from the previous period and the findings of a SWOT and PESTEL analysis into the new objectives and goals. The new strategic goals are:

1. Provide quality music opportunities
2. Engage the community
3. Build our capacity to be sustainable

It has been a productive and challenging year of change as SWM embarked on an ambitious period of end-to-end organisational renewal to build the foundations of a more sustainable organisation

We have new Board and staff members, with a commitment to professional development and being a 'best fit' learning and wellbeing organisation. In March 2022 I was delighted to welcome our inaugural Head of Music Louise King and Events and Communications Manager Gemma Rennie into the team. In July we secured the services of Zech Walters contemporary musician, and song writer. The impact is taking us in a positive direction with visits to our regional schools and increased engagement in communications, events, student performance, and music education offerings.

SWM has developed a new offering for schools, a new strings program and has kicked off a pilot rock band and choral program. We are offering more performance opportunities for our students and are supporting our teachers to deliver quality music education. The rekindling of monthly recitals for students of all abilities has been fun and it is always a joy to open our doors to local musicians and Sing Australia who enjoy the concert hall and band room every week.



The Live Music Program has continued to deliver a diverse offering across the year. While some concerts were disrupted by the pandemic, SWM did deliver the promised season to our valued subscribers. Full credit to our Live Music Committee and Chair Helen Burnham and the efforts of our current and former staff Gemma Rennie and Dana McNally. Concerts were of a high standard and it was wonderful to see our Head of Music Louise demonstrate her artistry as a cellist, performer and composer. My personal favorite was the sell-out concert of the inaugural visit to Deniliquin of the Australian Brandenburg Orchestra.

In closing, I would like to send a special thanks to our Chair Cheryl Fuller for her stewardship through challenging times, to Anne Atley our resilient Administration Manager who continues to demonstrate unflagging commitment to our students and families. Thanks to our brave inaugural Head of Music Louise King and our dedicated much beloved teaching team who have risen to the disruption of the pandemic and travel long hours to provide service to remote schools and students. Finally, thanks to former staff Dana McNally Events Coordinator and Chris Bodey and Brett Allitt guitar teachers for their significant contribution to SWM over some years.

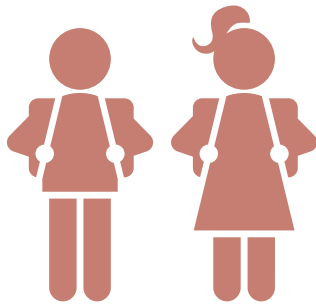
We have made significant progress in the last period, and will continue to work toward ensuring the future of SWM as a vital cultural, social and economic asset that makes the region a healthier, more liveable and prosperous place.



Student recitals are a great opportunity for those of all ages and abilities to perform in a very relaxed and friendly environment.

# PROVIDE QUALITY MUSIC OPPORTUNITES

In 2021-2022 South West Music Regional Conservatorium provided quality music tuition to children and adults in our region through participation in individual lessons and ensembles, classroom programs and live music performances.



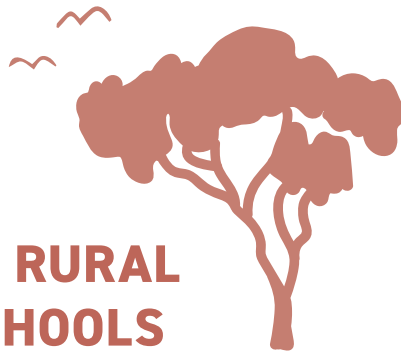
**12**  
**PUBLIC  
SCHOOLS**

**269**  
**SYLLABUS  
STUDENTS**



**382**

**STUDENTS IN RURAL  
& REMOTE SCHOOLS**



**39**

**HOURS OF PROFESSIONAL  
LEARNING FOR PUBLIC  
SCHOOL TEACHERS**



**61**  
**EARLY  
CHILDHOOD  
STUDENTS**

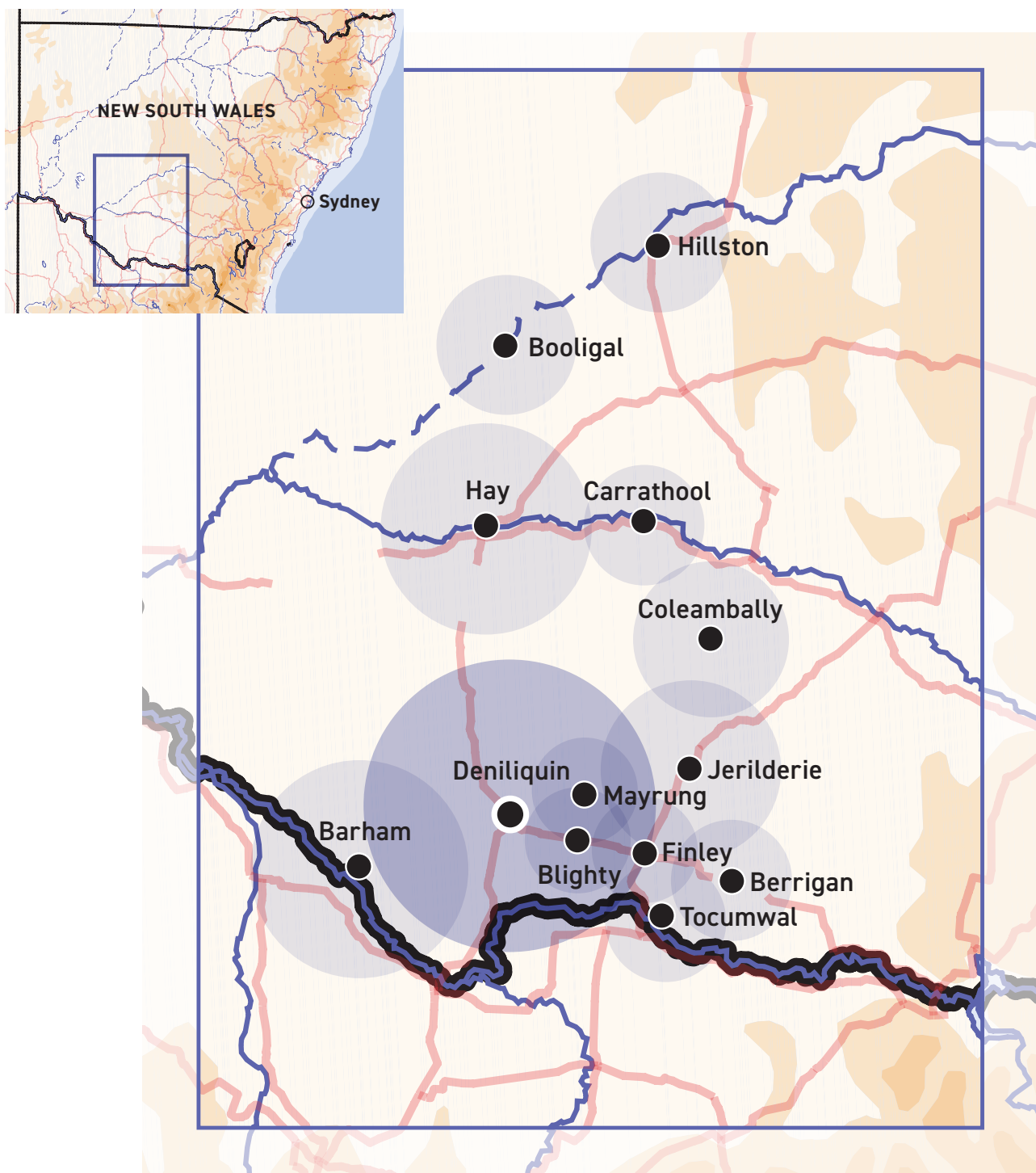


**168**  
**ADULT  
LEARNERS**



## Delivering music education in South West NSW

South West Music Regional Conservatorium provides music education, performance and engagement opportunities in a geographic area of 85,000 square kilometres.









## Music Tuition

Students of all ages and abilities participated in individual, shared and small group tuition.

We recruited an inaugural Head of Music cellist Louise King to lead the teaching team and to diversify our instrument and program offering.

New programs were offered to schools and we launched a pilot band program River Rock Band and River Song, a schools choral program.

Lessons were delivered at schools across the vast region, on site at the Conservatorium in Deniliquin and remotely via video conferencing.

Tuition was provided in guitar, bass, piano, percussion, drum, violin, cello, brass, woodwind, vocals and composition



Much beloved piano teacher Tomoko Niwa with Harriet

## Classroom Music Programs



Bucket drumming is popular with students and accessible to all abilities.

South West Music delivers classroom music in public and catholic schools across the region. Our classroom offerings diversified in the last year to include Choir, River Song Choir, Bucket Drumming, Junk Orchestra, Strings program and beginner guitar. Our programs in 2022 were more planned and structured meeting curriculum requirements.



## OUR CHALLENGES

COVID-19 interrupted the delivery of face to face music lessons, classroom programs and our live music events.

South West Music complied with Public Health Orders, and minimised the impacts on teaching, learning and community engagement.



# 2196

**AUDIENCE MEMBERS AT  
OUR PERFORMANCES**



# 696

**AUDIENCE MEMBERS  
IN SCHOOLS**



# 3

**MASTER CLASSES  
& WORKSHOPS  
DELIVERED**

## Sing Australia

The local branch of Sing Australia, with 40 current members, continued to operate at the Conservatorium premises this year. Under the direction of Sue McMillan they rehearse in the concert hall and perform at special events. Here they are singing on the steps of the Conservatorium, in celebration of National Sing Australia Day.





## ENGAGE THE COMMUNITY



# 53

**PERFORMANCES  
DELIVERED BY THE  
CONSERVATORIUM**



St Paul's Lutheran Church Choir shared songs in language with local Wamba Wamba women

## Live Music Events

Another successful year for the Live Music Series, with COVID-19 restrictions easing the community have been eager to get out and attend our events.

In July our lunchtime classical concert featured Harold Gretton, classical guitarist. Harold had a pioneering repertoire but was equally at home rediscovering old classics.

After a brief hiatus we restarted live events in November with An American in Paris, featuring pianist Elyane Laussade. A graduate of the Juilliard school in New York City, and popular Melbourne based performer Elayne delighted our audience with her skill and imagination at the piano.

Our Small Town Folk series took The Water Runners to the small communities of Blighty and Booroorban. They played a highly energetic blend of Australian folk performing mostly original songs that combined influences from bluegrass, country, traditional fold and roots.

In December we were treated to the traditional and gospel sounds of St Paul's Lutheran Choir. The choir has refugee origins with members from D.R Congo, Burundi and South Sudan. The children and their parents sang in Kiswahili, Kirundu and English.

Our Head of Music, Louise King was welcomed to the Conservatorium in March. Louise is an exciting example of an independent contemporary cellist with extensive international experience and training. She performed an hour solo program "Bach to Bush" which included original compositions.



Elyane Laussade  
performs 'An  
American in Paris'



Louise King  
Head of Music  
Welcome Concert





Small Town Folk featured the high energy The Water Runners



## Live Music Events

South West Music launched our 2022 live music season in February with the Assai Quartet. Based on an early 17th Century 'trio sonata' format featuring flute, violin, and continuo the group's instrumentation lends itself to a wide range of styles from Medieval to Jimmy-Hendrix. The concert in the magnificent Waring Gardens featured compositions by the Quartet that resonated strongly with the audience.

We were lucky enough to secure the first visit from the Australian Brandenburg Orchestra in to the region in June. Due to high level of demand the concert was moved and generously accommodated by the Deniliquin Baptist Church. This outstanding event attracted people from across the region for an afternoon of French elegance, Italian passion and German rigour.

We finished the financial year with jazz guitarist, composer & improviser Hilary Geddes who returned to her home region for an electric evening of jazz. Our students & teachers attended a workshop before the concert to learn about improvising and stage presence.

We would like to acknowledge and thank the Live Music Series committee and volunteers. Without their ongoing commitment and dedication the series simply would not be possible.



The Assai Quartet in the beautiful Waring Gardens



Rhianon Xeros from Assai Quartet talking to the next generation at the student workshop





South West Music Regional Conservatorium uses the power of music to promote individual wellbeing and community inclusion.

Lead by South West Music's teacher George Maddison the 'Clear Solutions' disability group, entertained the crowd at the local markets, with their percussion ensemble.

# BUILD OUR CAPACITY TO BE SUSTAINABLE

In the last 12 months, South West Music Regional Conservatorium has implemented strategic initiatives recommended by the KPMG report.

In August 2021 the Board employed the services of experienced CEO Leone Knight, who subsequently employed an outstanding Head of Music cellist and educator Louise King.

The Board then embarked on a Strategic Planning process engaging key stakeholders in forging the vision for the next triennium. This vision informed our Create NSW infrastructure grant application.

South West Music is engaged in a process of end-to-end organisational change that is transforming our culture and facilities, and improving the quality and diversity of our service offerings.

In 2022, the Conservatorium was funded for another three years and successfully applied for infrastructure funding securing \$4.35M to purchase and refurbish our existing premises.

South West Music Regional Conservatorium is committed to ensuring the people of the region have access to quality music education and performance well into the future.



Minister for the Arts Ben Franklin, CEO Leone Knight and SWM Board Member Geoff Mann at the 13 August 2022 funding announcement





#swmusicchampions Senator Perrin Davey, Head of Music Louise King, CEO Leone Knight & Chair Cheryl Fuller , discuss the Create NSW Infrastructure Project

# CREATIVE CAPITAL INFRASTRUCTURE PROJECT

## Building the Future

In 2022 SWMRC applied to the NSW Government for infrastructure funding securing \$4.35M to purchase and refurbish our existing premises.

The redevelopment will underwrite long-term sustainability, improve service delivery, and enable greater collaboration with arts and cultural organisations. The project will drive greater social inclusion, community wellbeing, and economic prosperity by stimulating community connectivity, cultural tourism, and the visitor economy.

For culture to prosper it needs a permanent place where it can be fostered, created, shared, made, and enjoyed by the community. SWMRC has existed for 35 years and has occupied seven different rental properties in Deniliquin. This project will fill a gap in the region's cultural arts infrastructure and secure a permanent premises for SWMRC.

The project vision includes an upstairs extension, ground floor redesigns and building upgrades.

The design incorporates seven music teaching studios, a recording studio, an audiovisual production capability, a band room, an artist's co-working space, and accommodation for visiting teachers, artists or performers.

The renovations will feature an extendable stage and an auditorium for 150-200 patrons, state-of-art sound, lighting, and acoustic technologies, a foyer/gallery, and external solar panels. It will be fully wheelchair accessible and include all-gender toilets and improved service amenities and an upstairs outdoor performance deck.

In repurposing and restoring the existing facility, we will preserve this important Deniliquin heritage facade and compliment the existing Edward River Council infrastructure creating a music and performance hub and cultural precinct for the region while celebrating civic pride.

The project gives South West Music the ability to secure permanent tenure, diversify and build income streams and enhance its position as an important, high-impact, cultural organisation in the Western Riverina and Murray region of NSW.



South West Music Regional Conservatorium redevelopment concept design



Concept design of upstairs performance deck by Grant Amon Architects



Concept design of flexible foyer/gallery space



Concept design of stage and concert hall





## STAFF PROFILES



### Anne Atley

Anne Atley has performed the role of Administration Manager with South West Music for over five years. She holds a Certificate IV in Frontline Management and has 20 years' experience in office and financial administration.



### Louise King

Louise Has extensive international experience over four continents and a professional orchestral career. She works as a recording artist, mentor, teacher, adjudicator, festival artist, director, producer and tour manager. Louise joined SWM in March 2022



### Zech Walters

New Zealand-born Zech (guitar/vocals) is a member of Woodlock, a band of brothers with an international profile with headline tours through the Philippines, China, and Canada. Zech is passionate about fostering singer-songwriting skills.



### Michael Ladson

Michael Ladson holds an Advanced Diploma of Music – Jazz and Contemporary, specialising in performance and composition and currently teaches percussion at the Conservatorium. He has taught 2 ARIA Award winners, and is himself an incredibly versatile musician, performing in orchestras as well as rock, Latin, country and marching bands.





## Zara Lindeman

Zara Lindeman started as a student of South West Music when she was 6 years old and now teaches vocals, choir and bucket drumming at the Conservatorium. She is a lover of country music and a popular performer. Zara was recently awarded the TAFE NSW Highly Commended Student of the Year and Creative and Design Ideation Student of the Year.



## Gemma Rennie

Gemma Rennie is the Communications and Event Manager at the Conservatorium. Gemma joined the team in March 2022. Gemma has a background in major international music and sporting events



## George Maddison

George Maddison primarily teaches flute, clarinet and saxophone, and is a member of the Australian Band and Orchestra Directors' Association. He studied clarinet under AMEB examiner, Edward Oxley, and has been teaching music for over 25 years.



## Tomoko Niwa

Tomoko Niwa enjoys teaching piano to students of all ages, having started playing piano at the age of 4 and successfully passing her Grade 8 piano examination with the Yamaha Music School in Japan at the age of 16. She holds an Associate Degree in Preschool Education and is never without a waiting list of eager new students.



## Richard Sievers

Richard Sievers teaches vocal and brass to students of all ages and is the Musical Director of the Edward River Concert Band. His professional life has included performances with Orchestra Victoria, Sadler's Wells Ballet, Melbourne Philharmonic Orchestra and the Bolshoi Ballet.

## 2021-2022 KEY PERFORMANCE MEASURES

These Key Performance Measures (KPM) align with the five key outcomes to be delivered by regional Conservatoriums outlined in the Regional Conservatorium Grants Program.

		ACTUAL
KPM 1.1	The number of public schools in which the Conservatorium delivers regular music education activities for at least 5 hours per semester.	12
KPM 1.2	The number of public schools in which the Conservatorium delivers non-regular music education activities	1
KPM 2.1	The number of public school students participating in regular and/or non-regular music education activities delivered by the Conservatorium at any location.	382
KPM 2.2	The number of public school students participating in regular music education activities that implement the Creative Arts K-6, Music 7-10, Music 1 & 2 11-12 NESA syllabus for at least 5 hours per semester.	269
KPM 2.3	The number of public school students participating in non-regular music education activities that implement the Creative Arts K-6, Music 7-10, Music 1 & 2 11-12 NESA syllabus.	0
KPM 3.1	The number of public school students enrolled in schools defined by the Department of Education as rural and remote participating in regular and/or non-regular music education activities delivered by the conservatorium at any location.	382
KPM 4.1	The number of hours of professional learning courses provided to public school teachers. (YTD)	39
KPM 5.1	The number of Aboriginal and Torres Strait Islander students participating in regular and/or non-regular music education activities.	17
KPM 5.2	The number of students from language backgrounds other than English participating in regular and/or non-regular music education activities.	22
KPM 5.3	The number of students with a diagnosed disability participating in regular and/or non-regular music education activities.	33
KPM 6.1	The number of early childhood students participating in regular and/or non-regular music education activities.	61
KPM 7.1	The number of adult community members participating in regular and/or non-regular music education activities.	168
KPM 8.1	The number of audience members attending public music performances the Conservatorium has contributed to, sponsored, presented or produced.	2196
KPM 8.2	The number of audience members attending music performances presented specifically for schools by the Conservatorium at any location.	696
KPM 9.1	The number of performances delivered by the Conservatorium at any location.	53
KPM 9.2	The number of master classes and workshops delivered by the Conservatorium at any locations.	3





Battle of the Bands - Photo courtesy of South West Art



Hon. Ben Franklin with SWM Live Music Committee volunteers Deborah Lee, Pam Ellen Chair Helen Burnham & Louise Allitt.



# **SOUTH WEST MUSIC INC.**

**ABN 77 861 717 780**

## **FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2022**



**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

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**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**COMMITTEE'S REPORT**

Your committee members submit the financial report of South West Music Inc. for the financial year ended 30 June 2022.

**Committee Members**

The names of the committee members in office at anytime during or since the end of the year are:

Cheryl Fuller - Chair  
Geoff Mann - Treasurer  
Pauline Huntington - Secretary  
Andrew Howley  
Dale McNeil  
Edwina Circuit (appointed 28 April 2022)  
Tessa Chartres (appointed 24 February 2022)  
David Leslie (resigned 11 October 2021)

**Principal Activities**

The principal activities of the association during the financial year were:

- To provide music education, performance and engagement opportunities for schools, students, teachers and community members in south west NSW.

**Significant Changes**

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

**Operating Result**

The deficit after providing for income tax amounted to \$74,795 (2021 surplus \$86,063).

**Events subsequent to the End of the Reporting Period**

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly alter the operations of the association, the results of those operations or the state of affairs of the association, in future years.

**Meetings of Committee Members**

During the financial year, 11 committee meetings were held. Attendances by each of committee member during the year were as follows:

<b>Committee Members name</b>	<b>Number Eligible to attended</b>	<b>Number attended</b>
Cheryl Fuller	11	11
Geoff Mann	11	10
Pauline Huntington	11	8
Andrew Howley	11	6
Dale McNeil	11	6
Edwina Circuit	2	2
Tessa Chartres	4	3
David Leslie	3	3



**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**COMMITTEE'S REPORT**

**Information on Committee Members**

**Cheryl Fuller**

Date started Nov 2010  
Experience Education  
Qualifications Bachelor of Arts, Diploma of Education, Graduate Diploma in Speech & Language A.Mus.A (Pianoforte)

**Geoff Mann**

Date started Nov 2010  
Experience Over 20 years Governance & Business Management  
Qualifications Diploma of Business

**Pauline Huntington**

Date started Aug 2020  
Experience Business & Community Service  
Qualifications Diploma of Business

**Andrew Howley**

Date started Jul 2019  
Experience 40 years experience business ownership  
Qualifications Business & Mechanics

**Dale McNeil**

Date started May 2019  
Experience Business/Environment  
Qualifications PhD Environment Management & Ecology

**Edwina Circuit**

Date started 28 April 2022  
Experience Management & Arts  
Qualifications Bachelor of Arts (Fine Arts) Hons, Grad Dip Museum Studies

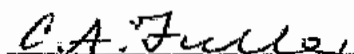
**Tessa Chartres**

Date started 24 February 2022  
Experience Corporate & Financial  
Qualifications Bachelor of Accounting, CPA, GAICD

**David Leslie**

Resigned 11 October 2021

Signed in accordance with a resolution of the members of the committee:



**Cheryl Fuller**



**Geoff Mann**

**Dated:** 18th August 2022

**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Revenue	2	713,252	714,964
Other income	2	28,496	207,371
Administration expense	3	(123,392)	(121,701)
Concert series		(36,125)	(51,077)
Depreciation and amortisation expense	20(a)	(69,682)	(57,413)
Employee benefits expense	3	(528,172)	(535,885)
Finance expense		(809)	(600)
Student services		(45,864)	(69,596)
Other expenses- grant applications		<u>(12,500)</u>	<u>-</u>
<b>Surplus (deficit) before income tax</b>		(74,795)	£ ,063
Income tax expense	1(a)	<u>-</u>	<u>=</u>
<b>Surplus (deficit) for the year</b>		<u>(74,795)</u>	<u>£ ,063</u>
Surplus (deficit) attributable to members of the association		<u>(74,795)</u>	<u>86,063</u>

The accompanying notes form part of these financial statements.



**SOUTH WEST MUSIC INC.  
ABN 77 861 717 780**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Surplus (deficit) for the year		(74,795)	86,063
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income (expense) for the year		<u>(74,795)</u>	<u>86,063</u>
Total comprehensive income (expense) attributable to members of the association		<u>(74,795)</u>	<u>86,063</u>

The accompanying notes form part of these financial statements.

**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	383,113	406,631
Accounts receivable and other debtors	5	13,482	7,926
Other current assets	6	<u>12,184</u>	<u>6,451</u>
<b>TOTAL CURRENT ASSETS</b>		<u>408,779</u>	<u>421,008</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	<u>155,115</u>	<u>212,147</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>155,115</u>	<u>212,147</u>
<b>TOTAL ASSETS</b>		<u>563,894</u>	<u>633,155</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	8	27,247	41,479
Borrowings	9	2,592	30,000
Provisions	10	35,539	34,240
Contract liabilities	11	<u>85,326</u>	<u>39,451</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>150,704</u>	<u>145,170</u>
<b>TOTAL LIABILITIES</b>		<u>150,704</u>	<u>145,170</u>
<b>NET ASSETS</b>		<u>413,190</u>	<u>487,985</u>
<b>EQUITY</b>			
Retained earnings		<u>413,190</u>	<u>487,985</u>
<b>TOTAL EQUITY</b>		<u>413,190</u>	<u>487,985</u>

The accompanying notes form part of these financial statements.



**SOUTH WEST MUSIC INC.**  
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**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 JUNE 2022**

	Retained Earnings \$	Total \$
<b>Balance at 1 July 2020</b>	401,922	401,922
<b>Comprehensive income</b>		
Surplus attributable to members	86,063	86,063
<b>Total comprehensive income for the year attributable to members of the association</b>	86,063	86,063
<b>Balance at 30 June 2021</b>	487,985	487,985
<b>Balance at 1 July 2021</b>	487,985	487,985
<b>Comprehensive income</b>		
Surplus (deficit) attributable to members	(74,795)	(74,795)
<b>Total comprehensive income for the year attributable to members of the association</b>	(74,795)	(74,795)
<b>Balance at 30 June 2022</b>	413,190	413,190

The accompanying notes form part of these financial statements.

**SOUTH WEST MUSIC INC.**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers and grants		777,454	1,057,472
Payments to suppliers and employees		(761,225)	(836,051)
Interest received		311	646
<b>Net cash provided by operating activities</b>	<b>19(b)</b>	<u>16,540</u>	<u>222,067</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(12,650)	(71,671)
<b>Net cash provided by (used in) investing activities</b>		<u>(12,650)</u>	<u>(71,671)</u>
<b>Cash flows from financing activities</b>			
Principal repayments of lease liabilities		(27,408)	-
<b>Net cash provided by (used in) financing activities</b>		<u>(27,408)</u>	<u>-</u>
Net increase (decrease) in cash held		(23,518)	150,396
Cash and cash equivalents at beginning of financial year		<u>406,631</u>	<u>256,235</u>
Cash and cash equivalents at end of financial year	<b>19(a)</b>	<u><u>383,113</u></u>	<u><u>406,631</u></u>

The accompanying notes form part of these financial statements.



**SOUTH WEST MUSIC INC.  
ABN 77 861 717 780**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

The financial statements cover South West Inc. as an individual entity. South West Music Regional Conservatorium Inc. is an association incorporated in NSW under the *Associations Incorporation Act 2009*.

The financial statements were authorised for issue on 18th August 2022 by the members of the committee.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for 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. Income Tax**

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

**b. Property, Plant and Equipment**

Property, plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022 (Continued)**

The cost of fixed assets constructed within the association 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 association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all fixed assets, including office equipment, is depreciated on a straight-line basis over the asset's useful life to the association 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 life on the improvements.

The useful life used for each class of depreciable asset are:

<b>Class of Fixed Asset:</b>	<b>Useful Life</b>
Leasehold improvements	6 years
Motor vehicles	7 years
Office equipment	3-10 years
Teaching equipment	3-20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**c. Leases**

**The Entity as lessee**

At inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Entity where the Entity is a lessee. However all contracts that are classified as short-term leases (leases with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.



**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

**Concessionary Leases**

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the temporary relief under AASB 2018-823 and measures the right of use assets at cost on initial recognition.

**d. 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 (i.e. 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.

These notes should be read in conjunction with the attached compilation report.

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

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: Revenue from Contracts with Customers.

**Classification and subsequent measurement**

*Financial liabilities*

Financial liabilities are subsequently measured at:

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

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

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations 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 over its life 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 effective hedging relationships).

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.

A financial liability cannot be reclassified.

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

*Financial assets*

Financial assets are subsequently measured at:

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

Measurement is on the basis of two primary criteria:

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

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

- 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 that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- 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 measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The association initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "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 with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group 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 financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.



**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

*Equity instruments*

At initial recognition, as long as the equity instrument is not held for trading or 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 any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or 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 (i.e. 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 the following criteria need to be satisfied for the 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 (i.e. has no practical ability to make unilateral decision 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.

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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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 the entity elected to classify 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.

**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 (e.g. 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 uses 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 assesses whether the financial instruments are credit-impaired, and:

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

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

*Simplified approach*

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

This approach is applicable to:

- trade receivables; and
- lease receivables.

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

*Purchased or originated credit-impaired approach*

For financial assets that are considered to be credit-impaired (not on acquisition or originations), the entity measures 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 is 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 (e.g. default or past due event);
- a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- the likelihood 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 assumes 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 a determination that the financial asset has low credit risk, the entity applies 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 a 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.



**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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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 recognises 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. The 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 (e.g. 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.

**e. 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. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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 individual 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.

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**f. Employee Benefits**

**Short-term employee benefits**

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits where as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**g. 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 borrowings in current liabilities on the statement of financial position.

**h. Trade and Other Debtors**

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

**SOUTH WEST MUSIC INC.  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**i. Revenue and Other Income**

**Revenue recognition**

The association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (eg. AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The association recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amount.

**Operation Grants, Donation and Bequests**

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

When both these conditions are satisfied, the association:

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

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

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

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

**Capital Grants**

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

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

**Interest Income**

Interest revenue is recognised using the effective interest rate method.

**Dividend Income**

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Income from Student Services**

The association provides teaching services to the school students. Revenue is recognised when individual tuition has been provided. For such transactions, this is when the service is delivered to the customers. Revenue from these sales is based on the price stipulated in the contract.

**Income from Concert Series**

The association sells tickets to the general public. Revenue is recognised when the concert has been performed. Revenue from these sales is based on the price stipulated for the ticket.

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

**j. Key Estimates and Judgements**

The committee evaluate estimates and judgements incorporated into the financial statements 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 entity.

**Key estimates**

*(i) Useful lives of property, plant and equipment*

As described in Note 1(c), the Entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

*(ii) Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits requires measurement of long-term employee benefits using a number of estimated inputs. These include probable length of service by employees, rates of wage inflation and future interest rates used for discounting the liability to present value. The inputs used represent the best estimate of the probable liability.

*(iii) Receivables*

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

**k. Key Judgements**

*(i) Performance obligations under AASB 15*

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

*(ii) Performance obligations under AASB 16*

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the entity will make. The entity determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the association.

**l. Provisions**

Provisions are recognised when the association 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.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**m. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

**n. 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

**o. Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**p. Going concern**

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The Members of the Committee of the association believe that the going concern assumption is appropriate.

**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**q. Fair Value of Assets and Liabilities**

The association measures some of its assets and liabilities at fair value on recurring basis.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**r. New and Amended Accounting Policies Adopted by the Association**

**Initial adoption AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities**

The association has adopted AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities for the first time this reporting period. This Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: Application of Tiers of Australian Accounting, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reduction in disclosures compared to RDR in Revenue, Leases and Financial instruments; however has resulted in new and increased disclosure in areas such as Audit Fees and Related Parties.



**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022 (Continued)**

	Note	2022 \$	2021 \$
<b>2. REVENUE AND OTHER INCOME</b>			
Revenue			
Student Services		279,314	273,987
Concert Series		23,960	37,058
State Government Funding		<u>409,978</u>	<u>403,919</u>
Total Revenue		<u>713,252</u>	<u>714,964</u>
Disaggregated revenue from contracts with customers			
Revenue from goods and services transferred at a point in time		23,960	37,058
Revenue from goods and services transferred over		<u>689,292</u>	<u>677,906</u>
		<u>713,252</u>	<u>714,964</u>
Other Income			
Other income		24,576	18,304
Grants income - Other		3,609	-
Subsidies and Rebates		-	187,651
Interest income		311	554
Gain on disposal of property, plant and equipment		<u>-</u>	<u>862</u>
Total Other Income		<u>28,496</u>	<u>207,371</u>
<b>3. EXPENSES</b>			
Employee benefits expense			
Wages and salaries		469,675	448,568
Super		47,706	42,838
Provisions - Annual and Long Service Leave		2,831	23,123
Other		<u>7,961</u>	<u>21,356</u>
Total Revenue		<u>528,172</u>	<u>535,885</u>
Administration expense - includes			
Auditing or reviewing the financial report		10,050	4,000
Fees to a related practice of the auditor			
Financial reporting assistance		<u>1,500</u>	<u>-</u>
		<u>11,550</u>	<u>4,000</u>
Short term lease expenses		<u>14,484</u>	<u>-</u>

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>4. CASH AND CASH EQUIVALENTS</b>			
Cash on hand		400	400
Cash at bank		332,327	356,021
Term Deposit		<u>50,386</u>	<u>50,210</u>
		<u>383,113</u>	<u>406,631</u>
<b>5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS</b>			
<b>CURRENT</b>			
Accounts Receivable		12,510	7,926
Other Receivables		<u>972</u>	<u>-</u>
		<u>13,482</u>	<u>7,926</u>
<b>6. OTHER ASSETS</b>			
<b>CURRENT</b>			
Accrued Interest		39	61
Prepaid Expenses		<u>12,145</u>	<u>6,390</u>
		<u>12,184</u>	<u>6,451</u>
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>			
WIP - Project		<u>9,500</u>	<u>-</u>
Right-of-Use asset		90,000	90,000
Less accumulated amortisation		<u>(87,539)</u>	<u>(60,000)</u>
		<u>2,461</u>	<u>30,000</u>
Leasehold improvements		12,390	12,390
Less accumulated depreciation		<u>(6,192)</u>	<u>(4,128)</u>
		<u>6,198</u>	<u>8,262</u>
Total land and buildings		<u>8,659</u>	<u>38,262</u>
Motor vehicles		71,306	71,305
Less accumulated depreciation		<u>(14,804)</u>	<u>(4,932)</u>
		<u>56,502</u>	<u>66,373</u>
Office equipment		48,992	45,558
Less accumulated depreciation		<u>(34,271)</u>	<u>(24,888)</u>
		<u>14,721</u>	<u>20,670</u>

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
Teaching equipment		163,284	163,569
Less accumulated depreciation		<u>(97,551)</u>	<u>(76,727)</u>
		65,733	86,842
Total plant and equipment		<u>136,956</u>	<u>173,885</u>
<b>Total property, plant and equipment</b>		<u>155,115</u>	<u>212,147</u>
<b>(a) Movement in carrying amounts</b>			
For disclosure on movement in carrying amounts please refer to note 20(a) in the end of this financial report.			
<b>8. ACCOUNTS PAYABLE AND OTHER PAYABLES</b>			
<b>CURRENT</b>			
Trade and other payables		8,458	10,620
Accrued expense		<u>18,789</u>	<u>30,859</u>
		<u>27,247</u>	<u>41,479</u>
<b>9. BORROWINGS</b>			
<b>CURRENT</b>			
Lease liability - 241 Cressy St, Deniliquin, NSW		<u>2,592</u>	<u>30,000</u>
<b>10. PROVISIONS</b>			
<b>CURRENT</b>			
Provision for annual leave		7,678	13,853
Provision for long service leave		<u>27,861</u>	<u>20,387</u>
		<u>35,539</u>	<u>34,240</u>
<b>11. CONTRACT LIABILITIES</b>			
<b>CURRENT</b>			
Grants		75,216	29,845
Tuition fees received in advance		<u>10,110</u>	<u>9,606</u>
		<u>85,326</u>	<u>39,451</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>12. FINANCIAL RISK MANAGEMENT</b>			
The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and leases.			
The totals 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:			
<b>Financial Assets</b>			
Cash and cash equivalents - amortised cost	4	383,113	406,631
Trade and other receivables - amortised cost	5	13,482	7,926
<b>Total Financial Assets</b>		<u>396,595</u>	<u>414,557</u>
<b>Financial Liabilities</b>			
Trade and other payables - amortised cost	8	27,247	30,000
<b>Total Financial Liabilities</b>		<u>27,247</u>	<u>30,000</u>
<b>13. EVENTS AFTER THE REPORTING PERIOD</b>			
The committee members are not aware of any significant events since the end of the reporting period.			
<b>14. CAPITAL AND LEASING COMMITMENTS</b>			
There are no known capital or leasing commitments.			
<b>15. KEY MANAGEMENT PERSONNEL COMPENSATION</b>			
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel (KMP).			
Total key management personnel remuneration		<u>142,500</u>	<u>53,816</u>
<b>16. OTHER RELATED PARTY TRANSACTIONS</b>			
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
For the year ended 30 June 2022 there were no transactions with related parties.			

**SOUTH WEST MUSIC INC.**  
**ABN 77 861 717 780**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
At the end of the reporting period, the Committee is not aware of any contingent Liabilities or Assets not recorded or disclosed in the accounts.			
<b>18. ASSOCIATION DETAILS</b>			
The registered office and principal place of business of the association is: South West Music Inc. 241-245 Cressy Street Deniliquin, NSW, 2710			
<b>19. CASH FLOW INFORMATION</b>			
<b>(a) Reconciliation of Cash</b>			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash		400	400
Cash at Bank		382,713	406,231
		<u>383,113</u>	<u>406,631</u>
<b>(b) Reconciliation of cash flow from operations with profit</b>			
Profit/(loss) after income tax		(74,795)	86,063
Non-cash flows in profit:			
Prior year adjustments		-	11,747
Depreciation		69,682	28,214
Profit on sale of non-current assets		-	(862)
Changes in Assets & Liabilities:			
(Increase) / decrease in trade and other receivables		(11,289)	1,974
Increase / (decrease) in trade and other payables		(14,232)	1,526
Increase / (decrease) in deferred income		45,875	1,676
Increase / (decrease) in employee entitlements		1,299	1,729
<b>Net cash provided by operating activities</b>		<u>16,540</u>	<u>22,067</u>

**SOUTH WEST MUSIC INC.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE, 2022**

**20. (a) MOVEMENT IN CARRYING AMOUNTS**

Movements in carrying amounts for each class of property, plant and equipment.

	WIP - Buildings \$	Right-of-Use asset \$	Leasehold improvements \$	Motor vehicles \$	Office equipment \$	Teaching equipment \$	Total \$
Balance at 1 July 2021	-	30,000	8,262	66,373	20,670	86,842	212,147
Additions	9,500	-	-	1	3,434	(285)	12,650
Disposals	-	-	-	-	-	-	-
Depreciation	-	(27,539)	(2,064)	(9,872)	(9,382)	(20,824)	(69,682)
<b>Carrying amount at 30 June 2022</b>	<b>9,500</b>	<b>2,461</b>	<b>6,198</b>	<b>56,502</b>	<b>14,721</b>	<b>65,733</b>	<b>155,115</b>



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**RESPONSIBLE PERSONS' DECLARATION**

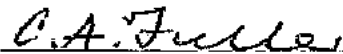
*Per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013*

The responsible persons declare that in the responsible persons' opinion:

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

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

**Chair**

  
Cheryl Fuller

**Treasurer**

Geoff Mann 

**Dated:** 18th August 2022

**INDEPENDENT AUDITOR'S REPORT**

To the Members of South West Music Inc

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of South West Music Inc, which comprises the statement of financial position as at 30 June 2022, the income statement, 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 the responsible entities' declaration.

In my opinion the financial report of South West Music Inc has been prepared 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 registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the registered 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Information Other than the Financial Report and Auditor's Report Thereon**

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

Shepparton  
Finley  
Deniliquin

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P.O Box 5, Shepparton VIC 3632

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ABN 87 650 289 286



If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Responsible Entities for the Financial Report**

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

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

The responsible entities are responsible for overseeing the registered entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entities' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My 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 registered 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.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Adam Purtill RCA 419507

Date: 24 August 2022

160 Welsford Street Shepparton, VIC 3630

A handwritten signature in black ink, appearing to read 'A. Purtill', is located at the bottom left of the page.















Education