

# **The Queensland Music Festival Pty Ltd**

**ABN: 67 084 526 876**

## **Financial Report**

For the year ended 31 December 2024

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**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of The Queensland Music Festival Pty Ltd, the "company", for the year ended 31 December 2024 and auditor's report thereon.

**Directors names**

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

Daniel Gschwind (Chairperson)

Anne-Maree Willett

Paul Lindstrom

Angela Leitch

Brydie-Leigh Bartleet

Alison Mobbs

Jeffrey Oates

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

**Principal activities**

The principal activity of the company during the year was delivering music and cultural tourism events of international excellence across a range of urban, regional and remote locations. These events were created to be accessible to all Queenslanders, and visitors to the state, alike.

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

**Results**

The loss of the company for the year after providing for income tax amounted to \$930,221 (2023: surplus \$1,684,729).

**Review of operations**

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

In 2024, QMF delivered six music trails across the state, reaching a diverse range of locations, audiences, and genres. Funding is sourced from State Government core support, commercial partnerships, and philanthropic contributions. Additional revenue is generated through box office sales, food and beverage sales, and other event-related income.

**Likely developments**

The likely developments in the operations of the company and the expected results of those operations in subsequent financial years are as follows:

Our core funding from the Department of Environment, Tourism, Science and Innovation (formerly Department of Tourism and Sport) has been significantly reduced from \$6 million in 2024 to \$2.5 million in 2025. To maintain financial sustainability and apply operational learnings from the first two years of funding, we will scale back the number of music trails from six in 2024 to four in 2025. This adjustment aligns with the funding guidelines and expectations for music trail delivery.

DIRECTORS' REPORT

**Environmental regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.


**Indemnification of officers**

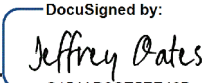
During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnification of auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

Signed on behalf of the board of directors.

Chair: \_\_\_\_\_  
Signed by:   
FDC0426E6EDA410...  
Daniel Gschwind

Director: \_\_\_\_\_  
DocuSigned by:   
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Jeffrey Oates

Dated this 22nd day of April 2025

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
<b>Revenue and other income</b>			
Revenue from contracts with customers	3	7,722,891	9,196,035
Other revenue	4	2,974,280	2,226,860
Other income	4	<u>-</u>	<u>25,967</u>
<b>Total revenue</b>		<u>10,697,171</u>	<u>11,448,862</u>
<b>Expenses</b>			
Artistic production	6	(6,608,551)	(4,272,829)
Marketing and business development	7	(2,995,669)	(2,043,819)
Communities and impact	11	(32,489)	-
Festival team	8	(1,060,287)	(2,753,843)
Travel and accommodation		(37,900)	(48,533)
Other goods and services	9	(328,205)	(145,491)
Premises and office facilities	10	(221,369)	(185,155)
Depreciation and amortisation		<u>(342,922)</u>	<u>(314,463)</u>
<b>Total expenses</b>		<u>(11,627,392)</u>	<u>(9,764,133)</u>
<b>(Loss)/Surplus for the year</b>		<u>(930,221)</u>	<u>1,684,729</u>
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<u>(930,221)</u>	<u>1,684,729</u>

The accompanying notes form part of these financial statements.

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
<b>Current assets</b>			
Cash and cash equivalents	13	6,579,304	6,382,769
Receivables	14	26,967	1,084,763
Other assets	15	<u>184,091</u>	<u>127,148</u>
<b>Total current assets</b>		<u>6,790,362</u>	<u>7,594,680</u>
<b>Non-current assets</b>			
Intangible assets	17	25,983	76,766
Right of use assets	18	709,214	884,994
Property, plant and equipment	16	<u>165,499</u>	<u>245,501</u>
<b>Total non-current assets</b>		<u>900,696</u>	<u>1,207,261</u>
<b>Total assets</b>		<u>7,691,058</u>	<u>8,801,941</u>
<b>Current liabilities</b>			
Payables	19	306,023	359,036
Lease liabilities	18	199,511	176,465
Provisions	20	138,209	96,257
Contract liabilities	21	<u>850,000</u>	<u>878,965</u>
<b>Total current liabilities</b>		<u>1,493,743</u>	<u>1,510,723</u>
<b>Non-current liabilities</b>			
Lease liabilities	18	<u>573,534</u>	<u>737,216</u>
<b>Total non-current liabilities</b>		<u>573,534</u>	<u>737,216</u>
<b>Total liabilities</b>		<u>2,067,277</u>	<u>2,247,939</u>
<b>Net assets</b>		<u>5,623,781</u>	<u>6,554,002</u>
<b>Equity</b>			
Contributed capital		2	2
Retained surpluses		<u>5,623,779</u>	<u>6,554,000</u>
<b>Total equity</b>		<u>5,623,781</u>	<u>6,554,002</u>

The accompanying notes form part of these financial statements.

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Contributed equity</b>	<b>Retained surpluses</b>	<b>Total equity</b>
	\$	\$	\$
<b>Balance as at 1 January 2023</b>	2	4,869,271	4,869,273
Surplus for the year	-	1,684,729	1,684,729
<b>Balance as at 31 December 2023</b>	2	6,554,000	6,554,002
<b>Balance as at 1 January 2024</b>	2	6,554,000	6,554,002
Loss for the year	-	(930,221)	(930,221)
<b>Balance as at 31 December 2024</b>	2	5,623,779	5,623,781

The accompanying notes form part of these financial statements.

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 \$	2023 \$
<b>Cash flow from operating activities</b>			
Receipts of funds, grants, sponsorship and other		11,535,506	12,192,927
Payments to suppliers and employees		(11,472,661)	(10,322,451)
Interest received		354,279	78,866
Finance costs		<u>(42,656)</u>	<u>(38,198)</u>
<b>Net cash provided by operating activities</b>		<u>374,468</u>	<u>1,911,144</u>
<b>Cash flow from investing activities</b>			
Payment for property, plant and equipment		(4,633)	(238,246)
Payment for intangible assets		<u>-</u>	<u>(30,013)</u>
<b>Net cash provided by / (used in) investing activities</b>		<u>(4,633)</u>	<u>(268,259)</u>
<b>Cash flow from financing activities</b>			
Principal portion of lease payments		<u>(173,300)</u>	<u>(135,942)</u>
<b>Net cash provided by / (used in) financing activities</b>		<u>(173,300)</u>	<u>(135,942)</u>
<b>Reconciliation of cash</b>			
Cash at beginning of the financial year	13	6,382,769	4,875,826
Net increase in cash held		<u>196,535</u>	<u>1,506,943</u>
<b>Cash at end of financial year</b>		<u><u>6,579,304</u></u>	<u><u>6,382,769</u></u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES**

The Queensland Music Festival Pty Ltd is a wholly owned subsidiary company of the Queensland State Government. It was established as a non-profit proprietary company with the object of the Company being "to produce and promote a biennial festival of music of international excellence, accessible to Queenslanders from all walks of life". The head office and principal place of business of the Company is Level 5, 144 Montague Road, South Brisbane, 4101.

The financial report covers The Queensland Music Festival Pty Ltd as an individual entity. The Queensland Music Festival Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. The Queensland Music Festival Pty Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors at the date of the directors' report.

The following are the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

*Historical Cost Convention and Measurement Basis*

The financial statements are prepared on an accrual basis, with the exception of the statement of cash flows which is prepared on a cash basis. The historical cost convention is used as the measurement basis.

*Fair value measurement*

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

*Functional currency and presentation currency*

The financial statements are presented in Australian dollars which is the company's functional and presentation currency.

*Current and non-current classification*

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date.

Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Company does not have a right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(a) Basis of preparation of the financial report (Continued)**

*Significant accounting estimates and judgements*

The preparation of the financial report requires the use of certain estimates and judgements in applying the company's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

**(b) Comparatives**

Comparative information reflects the audited 2023 financial statements, except where necessary, comparative information has been reclassified for consistency with current year disclosures and a restatement of Key Management Personnel (KMP) remuneration expenses due to a change in calculation (Note 24).

**(c) New and revised accounting standards effective at 31 December 2024**

The Company has adopted all relevant 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.

**(d) Public fund**

The Queensland Music Festival Fund is a tax deductible gift recipient listed on the Register of Cultural Organisations under Subdivision 30-B of the *Income Tax Assessment Act 1997*. It is registered with the Australian Charities and Not-for-profits Commission. The Company is also exempt from tax as a charitable entity under subdivision 50-5 of the *Income Tax Assessment Act 1997*.

**(e) Revenue from contracts with customers**

*Festival grants and other contributions*

Festival grants and other contributions are recognised revenue in accordance with requirements under AASB 15: *Revenue from Customers* and AASB 1058: *Income of Not-for-Profits*.

Grants, contributions and donations revenue arise from non-exchange transactions where the Company does not directly give approximately equal value to the grantor.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Company to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

All festival grants and other contributions revenues are stated net of the amount of goods and services tax (GST).

*In kind revenue and expenses*

In kind contributions of goods and services are recorded at fair market value as sponsorship revenue and within the relevant expenditure category.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

*Sponsorship and Box Office*

Sponsorship and box office revenues are recognised in the year the event occurs.

**(f) Other revenue and other income**

*Other Revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

*Interest*

Interest revenue is measured in accordance with the effective interest method.

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

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**(h) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. 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 change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(h) Employee benefits (Continued)**

*(iii) Retirement benefit obligations*

*Defined contribution superannuation plan*

The company makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The company's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the statement of financial position.

**(i) Property, plant and equipment**

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

*Plant and equipment*

Plant and equipment is measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

*Depreciation*

The depreciable amount of all other property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

<b>Class of fixed asset</b>	<b>Useful lives</b>	<b>Depreciation basis</b>
Leasehold improvements at cost	3-5 years	Straight line
Plant and equipment at cost	3-5 years	Straight line

An asset is recognised where relevant amounts exceed \$1,000 or where expenditure relates to an improvement, initial repair or cost to bring into use of existing plant and equipment. The asset's 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 Statement of Profit or Loss and Comprehensive Income.

**(j) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Right of use assets*

Right of use assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the company, and an estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, right of use assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Right of use assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(j) Leases (Continued)**

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the company's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a right of use asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

**(k) Intangible assets**

*Separately acquired intangible assets*

Relevant amounts exceeding \$1,000 are recognised as intangibles as required. Costs incurred in developing website facilities that will contribute future financial benefits through revenue generation and/or cost reduction are capitalised. Amortisation is calculated using the straight-line method to allocate costs over a useful life period of 3 years.

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Company determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

**(l) Impairment of non-financial assets**

Assets other than intangible assets not yet ready for use and intangible assets with indefinite useful lives are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

An impairment loss is recognised when the carrying amount of an asset exceeds the asset's recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use (where 'value in use' is determined as the present value of the future cash flows expected to be derived from an asset).

Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is measured at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and is recognised in other comprehensive income to the extent that it does not exceed the amount in the revaluation surplus for the same class of asset.

A reversal of an impairment loss for an asset measured at cost is recognised in profit or loss. A reversal of an impairment loss for an asset measured at a revalued amount is treated as a revaluation increase and is recognised in other comprehensive income, except to the extent that an impairment loss on the same class of asset was previously recognised in profit or loss, in which case a reversal of that impairment loss is also recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(m) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(n) Economic dependence**

The Queensland Music Festival Pty Ltd is dependent on funding from Arts Queensland, one of the services provided by the Department of Education. This funding supports the basic wage, administration and accommodation costs of the company. As at the date of this report, QMF is in the process of renewing its funding agreement with the Department for the 2026 period and beyond. QMF is also dependent on funding from the Department of Environment, Tourism, Science and Innovation to support all programming and presentation expenditure for the Queensland Music Trails (QMT). The initial funding contract (2023–2025) with the Department of Environment, Tourism, Science and Innovation will conclude in 2025. QMF has submitted all required budgets and proposals and is currently engaged in the contract renewal process for 2026 and beyond.

**NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the process of applying the company's accounting policies, management makes various judgements that can significantly affect the amounts recognised in the financial statements. In addition, the determination of carrying amounts of some assets and liabilities require estimation of the effects of uncertain future events. Outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amounts of those assets and liabilities affected by the assumption.

The following outlines the major judgements made by management in applying the company's accounting policies and/or the major sources of estimation uncertainty, that have the most significant effect on the amounts recognised in the financial statements and/or have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year:

*Right of use assets and lease liabilities*

*Lease term*

The lease term is a significant component in the measurement of both the right of use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right of use asset, with similar terms, security and economic environment.

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS</b>		
<i>Funding revenue</i>		
Festival funding from Arts Queensland	1,600,000	1,600,000
Trails funding from Department of Environment, Tourism, Science and Innovation	6,000,000	7,500,000
Other funding from Department of Environment, Tourism, Science and Innovation	-	5,000
Federal Government grants	-	50,000
Queensland Government grants	3,041	41,035
Local Government partnerships	<u>119,850</u>	<u>-</u>
	<u><u>7,722,891</u></u>	<u><u>9,196,035</u></u>

Information regarding the nature, timing and satisfaction of performance obligations and revenue recognition of significant grants and contributions that are contracts with customers:

**Arts Queensland funding**

The company's obligation under the agreement is to produce and promote a program of events which engages communities throughout Queensland. The funds are to be used toward the operational and program costs associated with the events.

The funding is received by way of period installment with \$1.6million allocated as revenue over the period of each year. The contract liability recognised at balance date relates to the balance of payments received to be recognised as income over the next 12 months.

**Department of Environment, Tourism, Science and Innovation**

The company's obligation under this agreement is to deliver multiple events in distinct Queensland regions with in the Queensland Music Trails. Funds are to be used toward all programming and presentation of the Queensland Music Trails.

Funding is received in six instalments over the three-year (2023-2025) funding agreement. Each installment is tied specifically to a particular milestone, at which time the revenue will be recognised. The funds received in 2024 will not only be used in 2024 events. Given the nature of events planning and delivery, any carried forward amounts are also allocated to future events.

**NOTE 4: OTHER REVENUE AND OTHER INCOME**

**Other revenue**

Interest income	354,279	78,866
<i>Sponsorships and donations</i>		
Sponsorships	1,738,476	1,208,739
Donations	<u>1,000</u>	<u>65,502</u>
	<u>1,739,476</u>	<u>1,274,241</u>
Income from box office	535,251	691,555
Merchandise and bar sales	342,869	182,173
Other revenue	<u>2,405</u>	<u>25</u>
	<u>880,525</u>	<u>873,753</u>
	<u><u>2,974,280</u></u>	<u><u>2,226,860</u></u>
<b>Other Income</b>		
Other income	<u>-</u>	<u>25,967</u>

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
**ABN: 67 084 526 876**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 5: EMPLOYEE BENEFITS EXPENSE</b>		
- Short term benefits	3,285,952	2,824,985
- Payroll tax	-	137,397
- Superannuation guarantee contributions	361,530	289,618
- Special payments (a)	-	52,500
- Other employee benefits	<u>121,599</u>	<u>17,698</u>
	<u><b>3,769,081</b></u>	<u><b>3,322,198</b></u>

(a) Special payments - During 2023, QMF made one ex-gratia payment to an employee of \$52,500 on cessation of employment with QMF. The amount was duly considered and approved by the Board.

<b>NOTE 6: ARTISTIC PRODUCTION</b>		
Employee benefits expense	1,308,942	719,568
Advertising costs	15,991	-
Travel and accommodation	324,136	247,582
Programming and technical costs	2,309,123	1,734,157
Contractor costs	2,536,619	1,525,294
Other expenses	<u>113,740</u>	<u>46,228</u>
	<u><b>6,608,551</b></u>	<u><b>4,272,829</b></u>

<b>NOTE 7: MARKETING AND BUSINESS DEVELOPMENT</b>		
Employee benefits expense	1,347,367	273
Advertising costs	1,491,262	1,858,665
Travel and accommodation	41,087	36,871
Programming and technical costs	-	2,500
Sponsorship fees	-	50,000
Other expenses	<u>115,953</u>	<u>95,510</u>
	<u><b>2,995,669</b></u>	<u><b>2,043,819</b></u>

<b>NOTE 8: FESTIVAL TEAM</b>		
Employee benefits expense	1,032,807	2,565,417
Contractor costs	2,520	26,020
Other expenses	<u>24,960</u>	<u>162,406</u>
	<u><b>1,060,287</b></u>	<u><b>2,753,843</b></u>

<b>NOTE 9: OTHER GOODS AND SERVICES</b>		
Employee benefits expense	52,218	36,940
Programming and technical costs	15,659	12,645
Professional fees	161,367	42,385
Other expenses	<u>98,961</u>	<u>53,521</u>
	<u><b>328,205</b></u>	<u><b>145,491</b></u>

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 10: PREMISES AND OFFICE FACILITIES</b>		
Finance costs	42,656	38,198
Occupancy costs	30,199	32,650
Loss on sale of property, plant and equipment	-	2,954
Other expenses	<u>148,514</u>	<u>111,353</u>
	<u><u>221,369</u></u>	<u><u>185,155</u></u>
 <b>NOTE 11: COMMUNITIES AND IMPACT</b>		
Employee benefits expense	27,747	-
Travel and accommodation	2,470	-
Other expenses	<u>2,272</u>	-
	<u><u>32,489</u></u>	<u><u>-</u></u>
 <b>NOTE 12: REMUNERATION OF AUDITORS</b>		
<i>Queensland Audit Office</i>		
- Audit or review of the financial report	<u>18,000</u>	<u>11,000</u>
 <b>NOTE 13: CASH AND CASH EQUIVALENTS</b>		
Cash on hand	555	905
Cash at bank	6,578,749	1,376,092
Cash on deposit	-	5,005,772
	<u>6,579,304</u>	<u>6,382,769</u>
 <b>NOTE 14: RECEIVABLES</b>		
CURRENT		
Receivables from contracts with customers	<u>26,967</u>	<u>1,084,763</u>
 <b>NOTE 15: OTHER ASSETS</b>		
CURRENT		
Prepayments	<u>184,091</u>	<u>127,148</u>

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 16: PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Leasehold improvements</b>		
At cost	87,508	87,508
Accumulated depreciation	<u>(28,163)</u>	<u>(9,844)</u>
	<u>59,345</u>	<u>77,664</u>
<b>Plant and equipment</b>		
Festival equipment at cost	312,868	312,594
Accumulated depreciation	<u>(206,714)</u>	<u>(144,757)</u>
	<u>106,154</u>	<u>167,837</u>
Total property, plant and equipment	<u><u>165,499</u></u>	<u><u>245,501</u></u>
<b>Reconciliations</b>		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Leasehold improvements</i>		
Opening carrying amount	77,664	9,078
Additions	-	85,359
Disposals	-	(543)
Depreciation expense	<u>(18,319)</u>	<u>(16,230)</u>
Closing carrying amount	<u><u>59,345</u></u>	<u><u>77,664</u></u>
<i>Festival equipment</i>		
Opening carrying amount	167,837	71,490
Additions	4,633	152,887
Disposals	-	(2,411)
Depreciation expense	<u>(66,316)</u>	<u>(54,129)</u>
Closing carrying amount	<u><u>106,154</u></u>	<u><u>167,837</u></u>
<b>NOTE 17: INTANGIBLE ASSETS</b>		
Website development at cost	220,958	220,958
Accumulated amortisation and impairment	<u>(194,975)</u>	<u>(144,192)</u>
	<u><u>25,983</u></u>	<u><u>76,766</u></u>

Development expenditure for QMF web application has been capitalised and amortised over the estimated useful life.

**Reconciliations**

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

<i>Website development at cost</i>		
Opening balance	76,766	123,632
Additions	-	30,013
Amortisation	<u>(50,783)</u>	<u>(76,879)</u>
Closing balance	<u><u>25,983</u></u>	<u><u>76,766</u></u>

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 18: RIGHT OF USE ASSETS AND LEASE LIABILITIES</b>		
<b>(a) Right of use assets</b>		
Buildings	1,019,925	1,012,565
Accumulated depreciation	<u>(339,975)</u>	<u>(135,009)</u>
	679,950	877,556
Plant and equipment at cost	33,766	31,874
Accumulated depreciation	<u>(4,502)</u>	<u>(24,436)</u>
	<u>29,264</u>	<u>7,438</u>
Total carrying amount of right of use assets	<u><u>709,214</u></u>	<u><u>884,994</u></u>
<b>Reconciliations</b>		
Reconciliation of the carry amount of right of use assets at the beginning and end of the financial year:		
<i>Buildings</i>		
Opening carrying amount	877,556	636,130
Additions	-	1,024,252
Depreciation	(203,339)	(160,974)
Modifications	5,733	-
Disposal	<u>-</u>	<u>(621,852)</u>
Closing carrying amount	<u><u>679,950</u></u>	<u><u>877,556</u></u>
<i>Plant and equipment</i>		
Opening carrying amount	7,438	13,812
Additions	33,766	-
Depreciation	(6,627)	(6,374)
Disposal	<u>(5,313)</u>	<u>-</u>
Closing carrying amount	<u><u>29,264</u></u>	<u><u>7,438</u></u>
<b>(b) Lease liabilities</b>		
<b>CURRENT</b>		
Lease liability	<u>199,511</u>	<u>176,465</u>
<b>NON CURRENT</b>		
Lease liability	<u>573,534</u>	<u>737,216</u>
Total carrying amount of lease liabilities	<u><u>773,045</u></u>	<u><u>913,681</u></u>
<b>(c) Future lease payments</b>		
- Not later than 1 year	233,579	218,191
- Later than 1 year and not later than 5 years	<u>610,013</u>	<u>803,948</u>
Total future lease payments at the reporting date	<u><u>843,592</u></u>	<u><u>1,022,139</u></u>
<b>NOTE 19: PAYABLES</b>		
<b>CURRENT</b>		
Trade creditors and accruals	274,130	189,244
GST payable	<u>31,893</u>	<u>169,792</u>
	<u><u>306,023</u></u>	<u><u>359,036</u></u>

THE QUEENSLAND MUSIC FESTIVAL PTY LTD  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	\$	\$
<b>NOTE 20: PROVISIONS</b>		
CURRENT		
Annual leave	138,209	83,909
Long service leave	-	12,348
	<u>138,209</u>	<u>96,257</u>

**NOTE 21: CONTRACT LIABILITIES**

CURRENT		
Other income in advance	<u>850,000</u>	<u>878,965</u>

**NOTE 22: CONTINGENT LIABILITIES**

The Company is not aware of any contingent assets or contingent liabilities. At 31 December 2024 no losses are expected to arise which have not been provided for in the accounts.

**NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 31 December 2024 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2024, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2024, of the company.

**NOTE 24: RELATED PARTY TRANSACTIONS**

**(a) Key management personnel**

Remuneration and other terms of employment for the Company's other key management personnel are specified in employment contracts. Remuneration expenses for these key management personnel comprises the following components:

Short term employee expenses which include:

- salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position.
- performance payments recognised as an expense during the year.
- non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Other long term employee expenses - mainly long service leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified position;

Post-employment expenses - mainly superannuation contributions; and

Termination benefits - include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)**

The following disclosures focus on the expenses incurred by the Company during the respective reporting periods that is attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Profit or Loss and Other Comprehensive Income.

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

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Short-term employee expenses	1,091,092	837,871
Post-employment expenses	116,008	102,665
Termination benefits	<u>1,671</u>	<u>131,250</u>
	<u>1,208,771</u>	<u>1,071,786</u>

Remuneration expenses for 2023 have been restated due to a change in the calculation of short-term benefits (Total previously stated \$1,150,747, decreased to \$1,071,786).

Details of the nature of each of the 8 key management personnel (2023: 10) of the Company are:

**Chief Executive Officer**

The QMF Chief Executive Officer (CEO) holds a key leadership role in the Queensland arts and cultural tourism sector. The role is responsible for implementing the objectives and purpose of the company and leading the strategic direction and sustainable growth of QMF, engaging employees and stakeholders with the vision and establishing QMF's role as the partner of choice in the delivery of world class musical tourism experiences in Queensland.

**General Manager, Creative Programming and Production**

This role is responsible for the creative direction and production of QMF, and Qld Music Trail's, music and arts events, leads the programming team and works collaboratively within the shared leadership structure – with a direct reporting line to the CEO role. The General Manager is responsible for the operational delivery of the QLD Music Trails, including the programming, planning, curation, implementation including production, technical and logistics.

**General Manager, Marketing and Communication**

The General Manager, Marketing and Communications role is to develop and manage the the implementation of a cohesive marketing, communications, and public relations strategy for all QMF and QMT activities. The role supports the CEO to deliver the strategic plan and achieve QMF strategic goals.

**General Manager, People and Culture**

The purpose of the General Manager, People and Culture role is to provide expert leadership, and detailed execution of all Human Resource compliance, planning, recruitment and selection, performance management, learning and development, industrial relations, employee relations, health and safety, administration, and HR reporting within the QMF business. This role will be the owner of QMF's People and Culture strategy with specific empowerment to influence QMF's departmental recruitment, retention, and reward processes. Also seeking to develop business-wide process automation, efficiency, and process improvements.

**General Manager, Finance and Business Intelligence**

The purpose of the General Manager, Finance and Business Intelligence role is to provide expert leadership, and detailed delivery of all finance operations, financial systems, and reporting needs of the business. This role will be the owner of QMF's finance strategy with specific leadership ability to influence QMF's departmental alignment, review and enhance our finance systems, develop business-wide automation processes, and seek out technology and specifically AI efficiency improvements.

**Tourism Development Director**

The purpose of the Tourism Development Director is to strategise, engage and grow all aspects of QMF's product, partnerships, and commerciality. This role is essential in embodying the 'voice of customer' from a tourism, and tourism industry perspective. The leadership-first role will be highly engaged with all departments in the QMF organisation to ensure tourism embeddedness in all processes, and QMT outputs to ensure we deliver a market leading cultural tourism experience.

**THE QUEENSLAND MUSIC FESTIVAL PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)**

**General Manager, Communities and Impact**

The General Manager, Communities and Impact is a role designed to champion a wide range of communities with which QMF and QMT interact. This includes cultural communities, social collectives, membership groups and any other regional or local person whom we need to ensure is consulted with, listened to, included or represented in our work.

Details of appointment and resignation of board members of the Company are as follows. All directors received \$nil remuneration during the year.

<b>Board member</b>	<b>Date appointment</b>	<b>Date resignation</b>
Paul Lindstrom	30 June 2021	-
Anne-Maree Willett	30 June 2021	-
Alison Mobbs	16 December 2022	-
Angela Leich	16 December 2022	-
Brydie-Leigh Bartleet	16 December 2022	-
Daniel Gschwind	16 December 2022	-
Jeffrey Oates	31 July 2023	-

**(b) Other related parties**

Paul Lindstrom is a QUT Council member who is a Major Event Sponsor of the Yarrabah Music & Cultural Festival.

Alison Mobbs is currently employed by Western Downs Regional Council (WDRC) who were a Presenting Partner of the 2024 Opera at Jimbour.

Angela Leitch is QUT Deputy Vice-Chancellor (Indigenous Australians). QUT are a Major Sponsor of the Yarrabah Music & Cultural Festival.

Brydie-Leigh Bartleet is a full-time member of staff at Griffith University and also an Australian Research Council Future Fellowship at the Creative Arts Research Institute and Queensland Conservatorium Griffith University. QMF is a case study of Creative Arts Research. QMF is not paying for this research, and it is being conducted and managed by Griffith University PhD candidate. Queensland Conservatorium Griffith University is an event partner of the 2023 and 2024 Opera at Jimbour.

Stu Watters (General Manager, Creative Programming & Production) is the owner of Morph Consulting Services, which provided policy consulting and regulatory reform advice to Cairns Regional Council in 2024. Cairns Regional Council is a major sponsor of the 2024 Dream Aloud festival. Additionally, Stu Watters serves as a board member of The Push – Youth Music Organisation Ltd, a presenting partner for the 2024 Reef Music Trail.

Other related parties include immediate family members of key management personnel, and entities that are controlled or significantly influenced by those key management personnel individually or collectively with their immediate family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. Further, we note the following related party revenue and expense transactions during the year between Queensland Music Festival and entities associated with key management personnel and board members.

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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revenue:		
CS Energy	-	15,000
WDRC	50,000	50,000
QUT	50,000	45,455
The Push	526	-
Expenses:		
WDRC	-	(32,096)
The Push	(46,746)	-
Griffith University	(20,536)	(11,601)

**(c) Department of Education**

The following revenue and expenses relating to Arts Queensland, part of the Department of Education, that holds all the issued capital of the company.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revenue:		
Arts Queensland - Core funding	1,600,000	1,600,000
Expenses:		
Arts Queensland - Rent and fees	-	(37,268)

**NOTE 25: FINANCIAL RISK MANAGEMENT**

**Financial Risk Management Policies**

*Financial Instruments Recognition*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes party to the contractual provisions of the financial instrument.

The Company's financial instruments consist mainly of cash and deposits with banks. The main purpose of non-derivative financial instruments is to raise finance for operations. The Company does not have any derivative instruments at 31 December 2024.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

*Classification*

**Financial assets**

Cash and cash equivalents	6,579,304	6,382,769
<i>Amortised cost</i>		
- Receivables	26,967	1,084,763
	<u>6,606,271</u>	<u>7,467,532</u>

**Financial liabilities**

<i>Amortised cost</i>		
- Payables	306,023	359,036
- Lease liabilities	773,045	913,681
	<u>1,079,068</u>	<u>1,272,717</u>

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

**NOTE 25: FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Specific Financial Risk Exposures and Management**

The main risks the Company is exposed to through its financial instruments are interest rate risk and credit rate risk.

**Fair Values**

*Fair value estimation*

The fair values of financial assets and financial liabilities can be compared to their carrying values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The net fair values of assets and liabilities approximate their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 3 - 22, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
  - (b) giving a true and fair view of the financial position as at 31 December 2024 and performance for the year ended on that date of the company.
2. In the directors opinion, there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.

Chair: \_\_\_\_\_  
Signed by:   
FDC0426E6EDA410...  
Daniel Gschwind

Director: \_\_\_\_\_  
DocuSigned by:   
C154AD0CE5EE46B...  
Jeffrey Oates

Dated this 22nd day of April 2025