

The Queensland Music Festival Pty Ltd

ABN: 67 084 526 876

Financial Report

For the year ended 31 December 2025

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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 (QMF), the "company", for the year ended 31 December 2025 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 (resigned 30 June 2025)

Paul Lindstrom (resigned 30 June 2025)

Angela Leitch

Brydie-Leigh Bartleet

Alison Mobbs

Jeffrey Oates

Wendy Blucher (appointed 13 July 2025)

Kathryn Rose (appointed 13 July 2025)

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 amounted to \$2,599,456 (2024: loss \$930,221).

Review of operations

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

In 2025, QMF delivered five 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 company's core funding agreement with the Department of Environment, Tourism, Science and Innovation (DETSI) concludes on 30 June 2026. The final funding instalment was received in 2025, and no DETSI funding will be received in 2026. To ensure ongoing financial sustainability, the company will reduce the number of music trails delivered from five in 2025 to three in 2026, implement corresponding reductions in operating costs and seek new government funding streams from Local, State and Federal sources.

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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.


After balance date events

Particulars of matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years are as follows:

A new grant funding agreement with Arts Queensland was executed in April 2026, under which Arts Queensland will provide QMF with \$1.6 million per annum for the period 2026 to 2029.

Signed on behalf of the board of directors.

Chair: _____
Signed by: 
FDC0426E6EDA410...
Daniel Gschwind

Director: _____
Signed by: 
C154AD0CE5EE46B...
Jeffrey Oates

Dated this 23rd day of April 2026

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 2025

	Note	2025 \$	2024 \$
Revenue and other income			
Revenue from contracts with customers	3	4,120,050	7,722,891
Other revenue	4	927,888	2,974,280
Other income	4	<u>271,060</u>	<u>-</u>
Total revenue		<u>5,318,998</u>	<u>10,697,171</u>
Expenses			
Artistic production	6	(3,660,852)	(6,608,551)
Marketing and business development	7	(1,891,508)	(2,992,888)
Communities and impact	11	(399,443)	(33,569)
Festival team	8	(1,139,118)	(1,060,287)
Travel and accommodation		(45,068)	(37,900)
Other goods and services	9	(254,171)	(329,906)
Premises and office facilities	10	(212,356)	(221,369)
Depreciation and amortisation		<u>(315,938)</u>	<u>(342,922)</u>
Total expenses		<u>(7,918,454)</u>	<u>(11,627,392)</u>
Loss for the year		<u>(2,599,456)</u>	<u>(930,221)</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive loss		<u>(2,599,456)</u>	<u>(930,221)</u>

The accompanying notes form part of these financial statements.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	13	3,404,065	6,579,304
Receivables	14	130,786	26,967
Other assets	15	<u>118,534</u>	<u>184,091</u>
Total current assets		<u>3,653,385</u>	<u>6,790,362</u>
Non-current assets			
Intangible assets	17	46,759	25,983
Right of use assets	18	499,331	709,214
Property, plant and equipment	16	<u>98,558</u>	<u>165,499</u>
Total non-current assets		<u>644,648</u>	<u>900,696</u>
Total assets		<u>4,298,033</u>	<u>7,691,058</u>
Current liabilities			
Payables	19	306,906	306,023
Lease liabilities	18	225,352	199,511
Provisions	20	145,067	138,209
Contract liabilities	21	<u>238,090</u>	<u>850,000</u>
Total current liabilities		<u>915,415</u>	<u>1,493,743</u>
Non-current liabilities			
Lease liabilities	18	349,401	573,534
Provisions	20	<u>8,892</u>	<u>-</u>
Total non-current liabilities		<u>358,293</u>	<u>573,534</u>
Total liabilities		<u>1,273,708</u>	<u>2,067,277</u>
Net assets		<u>3,024,325</u>	<u>5,623,781</u>
Equity			
Contributed capital		2	2
Retained surpluses		<u>3,024,323</u>	<u>5,623,779</u>
Total equity		<u>3,024,325</u>	<u>5,623,781</u>

The accompanying notes form part of these financial statements.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Contributed equity	Retained surpluses	Total equity
	\$	\$	\$
Balance as at 1 January 2024	2	6,554,000	6,554,002
Loss for the year	<u>-</u>	<u>(930,221)</u>	<u>(930,221)</u>
Balance as at 31 December 2024	<u><u>2</u></u>	<u><u>5,623,779</u></u>	<u><u>5,623,781</u></u>
Balance as at 1 January 2025	2	5,623,779	5,623,781
Loss for the year	<u>-</u>	<u>(2,599,456)</u>	<u>(2,599,456)</u>
Balance as at 31 December 2025	<u><u>2</u></u>	<u><u>3,024,323</u></u>	<u><u>3,024,325</u></u>

The accompanying notes form part of these financial statements.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$	2024 \$
Cash flow from operating activities			
Receipts of funds, grants, sponsorship and other		4,603,145	11,535,506
Payments to suppliers and employees		(7,752,332)	(11,472,661)
Interest received		267,672	354,279
Finance costs		<u>(35,542)</u>	<u>(42,656)</u>
Net cash provided by / (used in) operating activities		<u>(2,917,057)</u>	<u>374,468</u>
Cash flow from investing activities			
Payment for property, plant and equipment		(12,195)	(4,633)
Payment for intangible assets		<u>(46,733)</u>	<u>-</u>
Net cash provided by / (used in) investing activities		<u>(58,928)</u>	<u>(4,633)</u>
Cash flow from financing activities			
Principal portion of lease payments		<u>(199,254)</u>	<u>(173,300)</u>
Net cash provided by / (used in) financing activities		<u>(199,254)</u>	<u>(173,300)</u>
Reconciliation of cash			
Cash at beginning of the financial year	13	6,579,304	6,382,769
Net increase / (decrease) in cash held		<u>(3,175,239)</u>	<u>196,535</u>
Cash at end of financial year		<u><u>3,404,065</u></u>	<u><u>6,579,304</u></u>

The accompanying notes form part of these financial statements.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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.

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.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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 2024 financial statements, except where necessary, comparative information has been reclassified for consistency with current year disclosures.

(c) New and revised accounting standards effective at 31 December 2025

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) Revenue from contracts with customers

Festival grants and other contributions

Festival grants and other contributions are recognised as revenue in accordance with requirements under AASB 15: *Revenue from Customers* or 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 revenue and within the relevant expenditure category.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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.

(e) 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).

(f) 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.

(g) 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 within 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, which are not expected to be settled wholly within 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 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.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) 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.

(h) 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.

Class of fixed asset	Useful lives	Depreciation basis
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.

(i) 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.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) 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.

(j) Intangible assets

Separately acquired intangible assets

Relevant amounts exceeding \$1,000 are recognised as intangibles as required. Costs incurred in developing website and airtable 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.

(k) 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.

(l) Economic dependence

The Queensland Music Festival Pty Ltd is reliant on funding from Arts Queensland, a service of the Department of Education. This funding supports the organisation's core operating activities, including staff wages, administrative expenses, and accommodation costs.

As at the date of this report, QMF is in the process of renewing its funding agreement with the Department for the 2026 funding period and beyond. The organisation is also reliant on government funding from local, state, and federal sources, which it continues to actively pursue.

In addition to government funding, QMF derives revenue from own-source streams, including box office income, philanthropic donations, in-kind contributions, and bar and merchandise sales, all of which form a significant component of the organisation's overall revenue base.

THE QUEENSLAND MUSIC FESTIVAL PTY LTD
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS		
<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	2,500,000	6,000,000
Queensland Government grants	-	3,041
Local Government partnerships	<u>20,050</u>	<u>119,850</u>
	<u><u>4,120,050</u></u>	<u><u>7,722,891</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 towards 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 within the Queensland Music Trails. Funds are to be used towards 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 2025 will not only be used in 2025 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	267,672	354,279
<i>Sponsorships and donations</i>		
Sponsorships	452,433	1,738,476
Donations	<u>1,000</u>	<u>1,000</u>
	<u>453,433</u>	<u>1,739,476</u>
Income from box office	166,974	535,251
Merchandise and bar sales	33,268	342,869
Other revenue	<u>6,541</u>	<u>2,405</u>
	<u>206,783</u>	<u>880,525</u>
	<u><u>927,888</u></u>	<u><u>2,974,280</u></u>
Other Income		
Other	1,060	-
Insurance recoveries	<u>270,000</u>	-
	<u><u>271,060</u></u>	<u><u>-</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 5: EMPLOYEE BENEFITS EXPENSE		
- Short term benefits	3,141,611	3,285,952
- Superannuation guarantee contributions	364,380	361,530
- Special payments (a)	40,540	-
- Other employee benefits	103,000	121,599
	<u>3,649,531</u>	<u>3,769,081</u>

(a) Special payments - During 2025, QMF made one ex-gratia payments to two employees of \$40,540 on cessation of employment with QMF. The amount was duly considered and approved by the Board.

NOTE 6: ARTISTIC PRODUCTION		
Employee benefits expense	1,023,400	1,308,942
Advertising costs	-	15,991
Travel and accommodation	244,846	324,136
Programming and technical costs	1,174,523	2,309,123
Contractor costs	1,179,731	2,536,619
Other expenses	38,352	113,740
	<u>3,660,852</u>	<u>6,608,551</u>

NOTE 7: MARKETING AND BUSINESS DEVELOPMENT		
Employee benefits expense	1,140,326	1,347,367
Advertising costs	695,285	1,488,481
Travel and accommodation	19,169	41,087
Other expenses	36,728	115,953
	<u>1,891,508</u>	<u>2,992,888</u>

NOTE 8: FESTIVAL TEAM		
Employee benefits expense	1,126,748	1,032,807
Contractor costs	3,240	2,520
Other expenses	9,036	24,960
Travel and accommodation	94	-
	<u>1,139,118</u>	<u>1,060,287</u>

NOTE 9: OTHER GOODS AND SERVICES		
Employee benefits expense	60,898	52,218
Programming and technical costs	1,580	15,659
Professional fees	113,290	161,367
Other expenses	78,403	100,662
	<u>254,171</u>	<u>329,906</u>

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 10: PREMISES AND OFFICE FACILITIES		
Finance costs	35,542	42,656
Occupancy costs	40,550	30,199
Other expenses	<u>136,264</u>	<u>148,514</u>
	<u><u>212,356</u></u>	<u><u>221,369</u></u>
 NOTE 11: COMMUNITIES AND IMPACT		
Employee benefits expense	298,159	27,747
Travel and accommodation	28,454	2,470
Other expenses	<u>72,830</u>	<u>3,352</u>
	<u><u>399,443</u></u>	<u><u>33,569</u></u>
 NOTE 12: REMUNERATION OF AUDITORS		
<i>Queensland Audit Office</i>		
- Audit or review of the financial report	<u>19,000</u>	<u>18,000</u>
 NOTE 13: CASH AND CASH EQUIVALENTS		
Cash on hand	701	555
Cash at bank	<u>3,403,364</u>	<u>6,578,749</u>
	<u><u>3,404,065</u></u>	<u><u>6,579,304</u></u>
 NOTE 14: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	-	26,967
Other receivables		
- GST receivable	53,786	-
- Other debtors	<u>77,000</u>	<u>-</u>
	<u><u>130,786</u></u>	<u><u>26,967</u></u>
 NOTE 15: OTHER ASSETS		
CURRENT		
Prepayments	<u>118,534</u>	<u>184,091</u>

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 16: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements		
At cost	85,359	87,508
Accumulated depreciation	<u>(44,334)</u>	<u>(28,163)</u>
	<u>41,025</u>	<u>59,345</u>
Plant and equipment		
Festival equipment at cost	237,144	312,868
Accumulated depreciation	<u>(179,611)</u>	<u>(206,714)</u>
	<u>57,533</u>	<u>106,154</u>
Total property, plant and equipment	<u>98,558</u>	<u>165,499</u>
Reconciliations		
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	59,345	77,664
Depreciation expense	<u>(18,320)</u>	<u>(18,319)</u>
Closing carrying amount	<u>41,025</u>	<u>59,345</u>
<i>Festival equipment</i>		
Opening carrying amount	106,154	167,837
Additions	12,195	4,633
Depreciation expense	<u>(60,816)</u>	<u>(66,316)</u>
Closing carrying amount	<u>57,533</u>	<u>106,154</u>
NOTE 17: INTANGIBLE ASSETS		
Website and airtable development at cost	259,136	220,958
Accumulated amortisation and impairment	<u>(212,377)</u>	<u>(194,975)</u>
	<u>46,759</u>	<u>25,983</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	25,983	76,766
Additions	46,733	-
Amortisation	<u>(25,957)</u>	<u>(50,783)</u>
Closing balance	<u>46,759</u>	<u>25,983</u>

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 18: RIGHT OF USE ASSETS AND LEASE LIABILITIES		
(a) Right of use assets		
Buildings	1,019,925	1,019,925
Accumulated depreciation	<u>(543,960)</u>	<u>(339,975)</u>
	475,965	679,950
Plant and equipment at cost	35,049	33,766
Accumulated depreciation	<u>(11,683)</u>	<u>(4,502)</u>
	<u>23,366</u>	<u>29,264</u>
Total carrying amount of right of use assets	<u><u>499,331</u></u>	<u><u>709,214</u></u>
Reconciliations		
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	679,950	877,556
Depreciation	(203,985)	(203,339)
Modifications	<u>-</u>	<u>5,733</u>
Closing carrying amount	<u><u>475,965</u></u>	<u><u>679,950</u></u>
<i>Plant and equipment</i>		
Opening carrying amount	29,264	7,438
Additions	-	33,766
Depreciation	(6,860)	(6,627)
Disposal	-	(5,313)
Modifications	<u>962</u>	<u>-</u>
Closing carrying amount	<u><u>23,366</u></u>	<u><u>29,264</u></u>
(b) Lease liabilities		
CURRENT		
Lease liability	<u>225,352</u>	<u>199,511</u>
NON CURRENT		
Lease liability	<u>349,401</u>	<u>573,534</u>
Total carrying amount of lease liabilities	<u><u>574,753</u></u>	<u><u>773,045</u></u>
(c) Future lease payments		
- Not later than 1 year	248,949	233,579
- Later than 1 year and not later than 5 years	<u>362,378</u>	<u>610,013</u>
Total future lease payments at the reporting date	<u><u>611,327</u></u>	<u><u>843,592</u></u>
NOTE 19: PAYABLES		
CURRENT		
Trade creditors and accruals	306,906	274,130
GST payable	<u>-</u>	<u>31,893</u>
	<u><u>306,906</u></u>	<u><u>306,023</u></u>

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$	\$
NOTE 20: PROVISIONS		
CURRENT		
Annual leave	<u>145,067</u>	<u>138,209</u>
NON CURRENT		
Long service leave	<u>8,892</u>	<u>-</u>
 NOTE 21: CONTRACT LIABILITIES		
CURRENT		
Other income in advance	<u>238,090</u>	<u>850,000</u>

NOTE 22: CONTINGENT LIABILITIES

The company is not aware of any contingent assets or contingent liabilities. At 31 December 2025 no losses are expected to arise which have not been provided for in the accounts (2024: \$nil).

NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE

A new grant funding agreement with Arts Queensland was executed in April 2026, under which Arts Queensland will provide QMF with \$1.6 million per annum for the period 2026 to 2029.

There has been no other matter or circumstance, which has arisen since 31 December 2025 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2025, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2025, 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 and allowances earned and expensed for the entire year, or for that part of the year during which the employee occupied the specified 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.

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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.

	2025	2024
	\$	\$
Short-term employee expenses	1,205,469	1,091,092
Post-employment expenses	131,192	116,008
Termination benefits	<u>38,310</u>	<u>1,671</u>
	<u>1,374,971</u>	<u>1,208,771</u>

Details of the nature of each of the 7 key management personnel (2024: 7) of the company are:

Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for the overall strategic direction, leadership, and operational management of QMF. The role includes implementing Board-approved strategies, ensuring effective governance and compliance with funding agreements, overseeing financial sustainability, and maintaining key stakeholder relationships. The CEO has delegated authority for operational decision-making and is accountable to the Board for organisational performance and risk management.

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 Brand

This role is responsible for setting and delivering QMF's brand and marketing strategies to support organisational objectives, including audience and revenue growth. The role oversees a diverse portfolio of activity including brand, marketing & communications, public relations & media, ticketing and audience development, and commercial partnerships.

General Manager, People and Culture

This role leads QMF's people, culture, and workforce systems to foster a safe, inclusive and high-performing workplace. It provides specialist advice to the CEO and Executive Team and partners with senior leaders to build organisational capability, manage workforce risk, and strengthen culture. Operating as a trusted advisor to the Executive, the role combines hands-on delivery of operational HR functions with strategic oversight of people systems, frameworks, and compliance across QMF.

General Manager, Finance and Business Intelligence

This role is responsible for QMF's financial management, reporting and control framework, business intelligence and analytics, risk management, and information technology governance. The role oversees budgeting, forecasting, financial and statutory reporting, cash flow management, data governance, IT systems and infrastructure, cybersecurity, and technology vendors. The position ensures compliance with accounting standards and internal policies, maintains effective internal controls and risk mitigation frameworks, also seeking to develop business-wide process automation, efficiency and process improvements.

General Manager, Tourism, Government and Commercial

This role leads QMF's state-wide tourism and government strategy to deliver cultural, economic, and community impact across Queensland. It drives whole-of-government engagement, multi-year funding strategies, and regional tourism initiatives to support long-term sustainability. The role focuses on diversifying revenue through grants, government investment, and philanthropy, while overseeing funding negotiations, compliance, risk management, and performance reporting. Operating at a senior strategic level, it builds high-value relationships across government, tourism, and philanthropic sectors to ensure QMF programs deliver measurable public value and lasting community impact.

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)

General Manager, Communities and Impact

This role is responsible for leading QMF's community engagement and social impact initiatives. The role oversees programs that strengthen participation and partnerships with communities, traditional owners, cultural organisations and other stakeholders, as well as evaluation and reporting of social and cultural outcomes, and alignment with funding and strategic objectives.

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

Board member	Date appointment	Date resignation
Paul Lindstrom	30 June 2021	30 June 2025
Anne-Maree Willett	30 June 2021	30 June 2025
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	-
Wendy Blucher	13 July 2025	-
Kathryn Rose	13 July 2025	-

(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 was a Major Sponsor of the 2024 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 where QMF is a case study. QMF is not paying for this research, and it is being conducted and managed by a Griffith University PhD candidate.

The General Manager, Creative Programming and Production Stu Watters is the owner of Morph Consulting Services, which provided policy consulting and regulatory reform advice to Cairns Regional Council in 2025. Cairns Regional Council is a major sponsor of the 2025 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 and 2025 Reef and Tropical 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.

	2025	2024
	\$	\$
WDRC	-	50,000
QUT	-	50,000
The Push	-	526
The Push	(30,281)	(46,746)
Griffith University	-	(20,536)

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

NOTE 24: RELATED PARTY TRANSACTIONS (CONTINUED)

(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.

	2025	2024
	\$	\$
Revenue:		
Arts Queensland - Core funding	1,600,000	1,600,000

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 2025.

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	3,404,065	6,579,304
<i>Amortised cost</i>		
- Receivables	<u>130,786</u>	<u>26,967</u>
	<u>3,534,851</u>	<u>6,606,271</u>

Financial liabilities

<i>Amortised cost</i>		
- Payables	306,906	306,023
- Lease liabilities	<u>574,753</u>	<u>773,045</u>
	<u>881,659</u>	<u>1,079,068</u>

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.

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

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 - 21, 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 2025 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: _____
Signed by: 
C154AD0CE5EE46B...
Jeffrey Oates

Dated this 23rd day of April 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of The Queensland Music Festival Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of The Queensland Music Festival Pty Ltd ("the company").

The financial report comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the directors' declaration.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 31 December 2025, and its financial performance for the year then ended; and
- b) complies with the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022* and *Australian Accounting Standards – Simplified Disclosures*.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the 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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (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 and the *Auditor-General Auditing Standards*.

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

Other information

The company's directors are responsible for the other information.

The other information comprises the information included in the company's annual report for the year ended 31 December 2025, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in the company's annual report for the year ended 31 December 2025 was the directors' report.

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.

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 the Directors for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulations 2022 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.



Jacqueline Thornley
as delegate of the Auditor-General

27 April 2026

Queensland Audit Office
Brisbane