



Sydney Writers' Festival Limited

A.B.N. 17 079 586 057

Annual Financial Report

31 December 2022

TABLE OF CONTENTS	Page
Directors' Report	3 -11
Auditor's Independence Declaration	12
Statement of Profit or Loss and Other Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to and Forming Part of the Financial Statements	17-24
Directors' Declaration	25
Independent Auditor's Report	26 – 27
Detailed Statement of Comprehensive Income	28 – 29

SYDNEY WRITERS' FESTIVAL LIMITED

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF SYDNEY WRITERS' FESTIVAL

The directors submit the financial report of the company for the financial period ended 31 December 2022.

DIRECTORS

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

Kathy Shand (Chair)	Appointed 9 December 2013 (Chair from 1 st Jan 2023)
Kate Dundas (Deputy)	Appointed 13 December 2022 (Deputy Chair from 1 st Jan 2023)
Robert Watkins	Appointed 13 April 2023
Michael McDaniel	Appointed 13 April 2023
Su-Ming Wong	Appointed 1 September 2016
Annabel Crabb	Appointed 21 August 2017
Michael Dagostino	Appointed 11 April 2019
Sheila McGregor	Appointed 18 October 2018
Julianne Shultz	Appointed 26 October 2022
Mark Scott (Former Chair)	Appointed 1 July 2016 (Chair from 14 February 2018)
Amelia Lester	Appointed 1 July 2016 (Term ended 29 June 2022)
Nikki Christer	Appointed 1 July 2016 (Term ended 29 June 2022)

Kathy Shand
(Chair)

Chair, Sydney Writers' Festival Board
Chair, SWF Development Committee
Member SWF Nominations Committee
Director, The Next Generation
Former publisher, Australian Jewish News
Founding Editor, Nine to Five magazine
Former Board Member, State Library of New South Wales Foundation
Former Board Member, Sydney Jewish Museum
Former Board Member, Royal Hospital for Women Foundation and the Sydney Children's Hospital Foundation
Judge of the Prime Ministers Literary Awards 2017 / 2018
Bachelor of Arts and Law; Masters (Int'l Relations) University of Sydney

Kate Dundas
(Deputy Chair)

Deputy Chair, Sydney Writers' Festival Board
Deputy Chair, Australia for UNHCR 2015 to present
Board Director, Sydney Festival 2020 to present
Executive Mentor, McCarthy Mentoring and independently 2014 to present
SME/Consultant, KPMG Arts & Culture Projects 2020 to present
Executive Director Performing Arts, Sydney Opera House 2017-2019

Su-Ming Wong

Sydney Writers' Festival Board Director

Chair, SWF Finance Committee
Co-Founder, CHAMP Ventures P/L
Former Council Member UTS; Board member of NICTA and Industry
Research & Development Board
Chairman: Access Macquarie Limited
Board Member: Asia Society Australia; Australian Museum Foundation
Advisory Council Member: UNSW Business School and China Matters
Professor of Practice, Australian Business School, UNSW
Adjunct Professor, University of Western Sydney

Sheila McGregor Sydney Writers' Festival Board
Partner, Gilbert+ Tobin
Chairman, Loreto Kirribilli School
Non-executive directorship: Crestone Wealth
Management Limited; St Vincent's Health Australia
BA, LLB, Sydney University

Michael Dagostino Sydney Writers' Festival Board
Director - Museums and Cultural Engagement
Chau Chak Wing Museum and Seymour Centre - The University of
Sydney
Former Director, Campbelltown Arts Centre
Formerly Inaugural Director of the Parramatta Artists' Studios
Former Chair of Artspace
Board Member: Create NSW Visual Arts Board

Annabel Crabb Sydney Writers' Festival Board
Writer and broadcaster, *Australian Broadcasting Corporation*
Creator and presenter, *Ms Represented*
Presenter, *Kitchen Cabinet*, *The House with Annabel Crabb*, *Back In Time
For Dinner*, *Tomorrow Tonight*
Author, *The Wife Drought*; *Stop At Nothing: The Life and
Adventures of Malcolm Turnbull*; *Rise of the Ruddbot*; *Losing
It*; *Men at Work: Australia's Parenthood Trap*
Co-Author, *Special Delivery*, *Special Guest*
Former journalist and columnist, *Sydney
Morning Herald*, *The Age*, *The Advertiser*
Former political correspondent, *The Age*, *The Advertiser*
Co-host, *Chat 10*, *Looks 3 podcast*

Dr Julianne Schultz Sydney Writers' Festival Board
AM FAHA Professor Emeritus Media and Culture, Griffith University
Author: *The Idea of Australia*, *Reviving the Fourth Estate*, *Steel City Blues*
Librettist: *Black River*, *Going into Shadows*
Chair, The Conversation Media Group 2019 to 2023
Founding Editor and Publisher *Griffith Review* 2003-2021
Former General Manager Corporate Strategy and Communications ABC;
Associate Editor *Courier Mail*; Associate Professor Journalism UTS,
Founding director Australian Centre for Independent Journalism
Former Chair, Australian Film TV and Radio School, Creative Australia
Reference Group, Queensland Design Council

Robert Watkins Board Director, Sydney Writers' Festival Board
Publishing Director Ultimo Press

Michael McDaniel Board Director, Sydney Writers' Festival Board
Professor of Indigenous Education and Special Advisor to the Vice-Chancellor, University of Technology Sydney (UTS)
Pro Vice-Chancellor (Indigenous Leadership and Engagement), UTS, 2017 – 2022
Director, Jumbunna Institute for Indigenous Education and Research, UTS, 2011 - 2022
Board Member, then Chair, Bangarra Dance Theatre, 2011 - 2019
Chair Australian Institute of Aboriginal and Torres Strait Islander Studies, 2017- 2019
Board Director, Australian Major Performing Arts Group ,2014 – 2017
Trustee, Sydney Living Museums ,2017 - 2019
Officer, Order of Australia

Mark Scott AO Chair, Sydney Writers' Festival Board 2018-2022
Director, Sydney Writers' Festival from 2016
SWF Finance Committee 2016-2022
SWF Nominations Committee 2016-2022
Vice-Chancellor and President, The University of Sydney, July 2021 to present
Secretary; NSW Department of Education, 2016-March 2021
Managing Director of the ABC 2006-2016
Former Editorial Director, John Fairfax
Board Director, Sydney Theatre Company 2019-2022
Chair, The Conversation Media Group from 2023
Officer, Order of Australia

Nikki Christer Former Sydney Writers' Festival Board
Former Chair, SWF Nominations Committee
Publisher at Large, Penguin Random House Australia
Former Group Publishing Director, Penguin Random House Australia
Former Publishing Director, Random House Australia
Former Publisher, Picador, Pan Macmillan Australia
Former Publisher, HarperCollins Publishers Australia
Former Editor, Methuen Books, London

Amelia Lester Former Sydney Writers' Festival Board
Former Member SWF Nominations Committee
Executive Editor, *Foreign Policy*
Former Editor, *Good Weekend*
Former Managing Editor and Executive Online Editor, *The New Yorker*
Bachelor of Arts (Harvard)

(ii) Directors' meetings during the period

Name	Meetings Eligible to Attend	Number Attended
Mark Scott	6	6
Kathy Shand	8	7
Nikki Christer	3	3
Amelia Lester	3	3
Su-Ming Wong	8	5
Annabel Crabb	8	7
Julianne Schultz	4	4
Sheila McGregor	8	6
Michael Dagostino	8	7
Michael McDaniel	1	0
Robert Watkins	1	1

COMPANY SECRETARY

Brooke Webb and Jo Jukes were the Company Secretaries over the course of the period.

PRINCIPAL ACTIVITY

Sydney Writers Festival brings together a broad and engaged community around the sharing of books, writing and ideas. The organisation continues to plan, administer and deliver literary programs in Sydney and regional New South Wales including the annual presentation of the Sydney Writers Festival.

OPERATING RESULT

The net deficit of the Sydney Writer's Festival for the year ended 31 December 2022 amounted to (\$150,722), compared to a deficit of (\$64,800) in 2021. This deficit result can be primarily attributed to the shortfall in box office revenue, which was largely attributed to the ongoing effects of the COVID-19 pandemic and its significant impact on audience purchasing patterns. The pandemic has caused disruptions and uncertainty, leading to changes in audience behavior and reduced attendance at events. Efforts were made to adapt and mitigate the effects of the pandemic, such as implementing virtual events and exploring alternative revenue sources. However, the overall deficit reflects the challenging circumstances faced by the Sydney Writer's Festival in navigating the evolving landscape of audience engagement during the COVID-19 crisis.

REVIEW OF OPERATIONS

OVERVIEW

In 2022, the Sydney Writers' Festival encountered a series of notable challenges that had an impact on various key metrics of the event. Firstly, the Festival had to contend with a high number of COVID cases in the community, which created a climate of anxiety and uncertainty. This led to a decrease in ticket sales as the community was reluctant to attend large gatherings. Additionally, the COVID situation affected the festival's program line-up, with numerous scheduled authors and

participants having to cancel their advertised appearances due to illness. Furthermore, the Federal Election coincided with the festival weekend, which meant that a lot of SWF marketing and communications efforts were hidden by the strength of the election campaign. This made it difficult for the festival to effectively promote its activities and attract audiences amidst the overwhelming political discourse. Due to the Election, the Festival faced logistical challenges as venues that were originally scheduled for use had to be designated as polling booths. Consequently, events planned for Saturday night had to be rescheduled to the following week, resulting in a delayed conclusion to the Festival.

Under the artistic directorship of Michael Williams, the 2022 Sydney Writers' Festival was the second and final Festival of his tenure. It was aptly titled 'Change My Mind,'. Against the backdrop of an uncertain and ever-changing world, including the imminent Federal Election and the potential shift in government, the theme resonated strongly. The 2022 Festival embodied a response to these circumstances, acknowledging the need to adapt and engage with shifting perspectives. The theme was an invitation speaking to both the willingness to be open, a commitment to generosity and reciprocity.

The launch of the 2022 Festival program on 17 March 2022 generated excitement among our devoted book-loving audience. However, the prevailing high number of COVID cases in the community had a notable impact on ticket buying behaviours. Concerns over health and uncertainties surrounding the virus led to increased caution among individuals, resulting in audience buying tickets very close to the commencement of the Festival. Additionally, with the concurrent Federal Election campaign in full swing, the marketing campaign for the Sydney Writers' Festival (SWF) was strategically designed to maximize brand visibility and media engagement.

The Festival took place from 16- 22 May with a program that featured a total of 124 paid events and 58 free events. With International borders closed due to COVID, the program involved over 395 authors and participants from Australia and 9 International authors who appeared live in digital events.

In a ground-breaking move, SWF held its Opening Night Address at the expansive Sydney Town Hall, marking a first in the Festival's history. Leveraging the larger venue, the Festival extended complimentary tickets to more than 140 cultural and community organizations, resulting in an important milestone that actively engaged a more diverse and youthful audience. This growth in audience diversity had far-reaching positive impacts that resonated throughout the entirety of the Festival serving as an achievement in 2022 that we aim to further cultivate and build upon in the coming years. Furthermore, the Opening Night was led by three esteemed First Nations Australians—Jackie Huggins, Ali Cobby Eckermann, and Nardi Simpson—providing an inspiring and unifying commencement that emphasized the Festival's commitment to prioritizing lived experiences and dissenting voices over privileged perspectives.

Given the logistical constraints in organizing a COVID-safe festival, the program and box office were scaled down, resulting in a reduced number of events. Despite the dedicated efforts of the Festival team, the task of effectively engaging with our audience within the context of a COVID-affected environment proved to be a significant challenge. Attendances across May totalled 65,190 achieving \$1,003,765 in box office income, which was a shortfall of \$335K on the box office target. As it became evident that the Sydney Writers' Festival wouldn't achieve the projected box office goals, our focus swiftly shifted towards increasing revenue through private giving and philanthropy. Consequently, we developed an end-of-financial-year campaign while also exploring opportunities to reduce costs.

Thousands of children were entertained throughout Festival week with an array of events for all ages. All-Day YA and the Youth Curators program was presented at Carriageworks. Our School Days program ran over eight days for primary and secondary students and included 162 schools at events held across Sydney – from Sydney Town Hall to Riverside Theatres, Parramatta. SWF again partnered with the NSW Education Standards Authority (NESA) to present a dedicated day of events specifically for years 9 and 10 students.

The Sydney Writers' Festival 2022 Live & Local program continued to maintain its presence in communities in every Australian state and territory. A total of 45 regional partners with 73 streaming venues were part of the Live & Local program, building regional audience and programming opportunities across the country culminating in a total regional attendance of 8,100 reflecting an increase of 7.4% (or 600 people) when compared to 2021 results.

In 2022 there were 41 organisations returning and 4 new organisations/venues who joined the Live & Local program as streaming partners. The program continues to increase satisfaction levels with all partners and audience delivering a high-quality program and service. A continued strategy of retaining existing partners, while engaging with new for 2023 will allow the program to continue to grow and increase regional community access to the SWF.

Following a two-year break, Russ the Bus made a highly anticipated return to schools for its first tour since 2019. The 2022 tour proved to be an outstanding triumph in every conceivable aspect. Russ the Bus reached a larger number of schools and touched the lives of over 10,000 students in 2022. Despite facing numerous challenges and obstacles along the way, the tour engaged 12 high profile authors and illustrators who along with the team were determined that every child had the unforgettable Russ experience and had the opportunity to take home a brand new, high-quality book.

OBJECTIVES

As stated in the Festival's constitution, the core objectives of Sydney Writers' Festival are to:

- plan, organise, administer, and conduct an annual literary Festival;
- provide readers and writers with a forum for intellectual and cultural debate;
- present readings, discussions, interviews, performances, exhibitions and other events which reflect Sydney's and Australia's cultural diversity, and which are responsive to the literary interests of a broad audience;
- raise the level of community awareness of the importance of writers and their work to Australian society;
- foster the development of, and interest in, literature in New South Wales;
- become a festival of international stature which reflects Sydney's position in the Asia Pacific Region and which makes the most of Sydney's natural and cultural environment.

In pursuing these activities, the organisation will ensure the Festival's ongoing financial and operational viability.

In meeting these objectives the 2022 Festival delivered 182 public events in May 2022, of which 58 (31%) were free. Attendances across May totalled 75,190 achieving \$1,003,765 in box office income, a better-than-expected result given the reduced number of events and limited number of authors that were involved in the program:

- Ticketed Attendances for Festival events: 34,742 (excluding comps)
- Free Attendances at All Festival events: 17,983 (inc Regional & Suburban)
- Total Attendances at Suburban & Regional Events: 3,843 (inc Free)
- Attendances at Live & Local events: 8,100
- Attendances at SWF Out of Season events: 522
- Attendances at SWF Children's Festival of Moving Stories: 10,000

Total Attendances: 75,190

MARKETING

SWF 2022 marketing campaign ran from 24th March to 26th May, which accommodated the date change for 2 events (The Chrissy Sharp Poetry Gala and The Great Debate) which were rescheduled from Saturday 21st May to Thursday 26th May due to a clash, with election day falling on the original date.

Despite the challenges posed by the Federal Election campaign, the marketing team delivered an impactful and comprehensive campaign that reached a wider audience than ever before. The campaign achieved exceptional results across various channels, including print, digital, broadcast, cinema, outdoor, distribution, email, and social marketing. The notable achievement becomes even more remarkable considering the limited media space available due to the concurrent 2022 election campaign. As a result, the Sydney Writers' Festival strategically scheduled multiple announcements throughout the campaign to ensure that the program remained at the forefront of our audience's minds.

A new visual identity for the 2022 Festival brought the theme 'Change My Mind' to life. Making use of a sleek, simple, and impactful design aesthetic and monochrome colourway. This bold new look was applied to all marketing collateral from digital assets and posters, to flags, taxi-backs, on-site signage, merchandise, and the program guide.

Over 270,000 program guides were distributed with The Sydney Morning Herald as a lift-out included in Spectrum magazine. An additional 59,000 guides were also distributed to a total of 649 venues across 140 different suburbs.

SWF distributed 23,000 mini-guides across 288 venues, 16 peer-to-peer activations (including The Biennale of Sydney, Carriageworks Farmers' Markets, Glebe markets, Roslyn Packer Theatre, Newtown Station and more) and letterbox drops to 4,000 homes across 8 key suburbs.

Our social media channels grew to a total of 127,000 followers this year, with the most impressive growth seen on Instagram which increased its followers by 12%.

The Festival website achieved 1.15 million page views in 2022, which is comparative to 2021.

Other notable results include The Festival gathered 672,000 podcast downloads from May 2021 to May 2022 – 72,000 more than the previous 12-month period. This ranks as the second best ever year for our podcasts and also means that we're now just shy of 3 million lifetime downloads.

PUBLICITY

The March-May Media campaign for this year's Sydney Writers' Festival witnessed a remarkable expansion in coverage and reach, providing more individuals than ever before with the opportunity to learn about the festival. Despite the challenges presented by the Federal Election, the Festival experienced a significant 17% increase in reported mentions, surpassing the levels achieved in the previous year. The 2022 SWF garnered 1,940 mentions, compared to 1,664 in 2021.

The media campaign had a potential cumulative audience of 68.8 million, capturing the attention of numerous individuals through various channels. The advertising space rate (ASR) amounted to \$13.9 million, reflecting the growing importance of broadcast and online platforms while print opportunities diminished in line with global trends.

Prominent Australian media outlets, such as The Sydney Morning Herald, The Age, The Brisbane Times, The Weekend Australian, ABC Radio Sydney, ABC Radio, ABC TV, and Channel 10, played a leading role in showcasing the Festival. Additionally, 2SER, FBI, The

Financial Review, and suburban Sydney media provided significant support to the Festival, although their articles were not included in the iSentia records due to new copyright and commercial agreements that restrict article recording. Sky News also featured and rebroadcast several crucial stories related to the Festival.

FUNDING AND SPONSORSHIP

SWF received a funding amount of \$370K from the NSW Government Rescue and Restart Grant, which was administered by Create NSW. This grant played a crucial role in providing financial assistance to cover the additional costs incurred by the organization in organizing the Festival amidst the challenges presented by the COVID pandemic.

Due to the pandemic, businesses were prompted to reassess their priorities, budgets, and overall strategies, leading to changes in the corporate partnerships established with SWF. However, despite these adjustments, SWF experienced an impressive surge in philanthropic support in 2022, thanks to dedicated and coordinated efforts. This achievement was made possible by the extraordinary generosity of Major Donors and the successful End of Financial Year Campaign. In comparison to the previous year, SWF observed a substantial 65% increase in philanthropic contributions, demonstrating the growing support for the festival.

In 2022, the Serpentine Foundation became a first-time supporter of the Sydney Writers' Festival. SWF express our deepest gratitude and heartfelt thanks to all our supporters, for their incredible generosity. Without the support of our patrons, donors, trusts and foundations and core government funders – Sydney Writers' Festival would not be able to create a platform to celebrate literature in all it's forms.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The 2022 Sydney Writers' Festival took place on 16 May – 22 May 2022. Artistic Director, Michael Williams announced in March that the 2022 would be his final festival. After undergoing a thorough recruitment process, Ann Mossop was selected and appointed as the Artistic Director in July, commencing in the role in August. Ann Mossop's contract spans a period of three years, with the possibility of extending for a fourth year upon mutual agreement and consideration.

In October, the Chair, Mark Scott, publicly announced his decision to resign from his position after dedicating seven years of service to the organization since 2016. In December, Kathy Shand, former Deputy, was elected as the new Chair of the Board of Directors. Kathy will assume the role starting from January 2023. The Sydney Writers' Festival expresses its heartfelt appreciation and gratitude to Mark for his exceptional leadership and invaluable contributions to the organisation.

MEMBERS LIABILITY

As a Company limited by guarantee in accordance with the Company's Constitution, each member of the Company has a maximum liability of \$50.00 in the event of the Company being unable to meet its obligations as and when they fall due.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the period ended 31 December 2022 has been received and can be found at page 11 of this report.

Signed in accordance with a resolution of the Board of Directors:

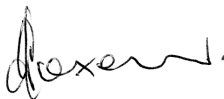
A handwritten signature in black ink that reads "Kathy Shand". The signature is written in a cursive style with a long horizontal stroke at the end.

Kathy Shand
Chair, Board of Directors

DECLARATION OF INDEPENDENCE BY GRANT SAXON TO THE DIRECTORS OF SYDNEY WRITERS' FESTIVAL LIMITED

As lead auditor of Sydney Writers' Festival Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Grant Saxon
Director

BDO Audit Pty Ltd

Sydney

19 June 2023

SYDNEY WRITERS' FESTIVAL LIMITED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
Revenue	2	4,266,224	4,302,761
Festival operating expenses	3	(2,130,954)	(2,032,059)
Administration expenses	3	(289,718)	(303,162)
Employee benefits expense	3	(1,880,883)	(1,883,058)
Depreciation and amortisation	3	(47,722)	(83,650)
Rental expenses	3	(27,092)	(25,211)
Training expenses	3	(20,567)	(8,470)
Doubtful debt	3	4,990	(6,951)
Audit and legal expense	3	(25,000)	(25,000)
Surplus/(Deficit) before income tax expense		(150,722)	(64,800)
Income tax expense	1(c)	-	-
Surplus/(Deficit) for the period		(150,722)	(64,800)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the period		(150,722)	(64,800)

The above Statement of Profit Or Loss and Other Comprehensive Income is to be read in conjunction with the attached notes

SYDNEY WRITERS' FESTIVAL LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
Current assets			
Cash and cash equivalents	11	1,997,552	2,144,449
Trade and other receivables	4	43,308	53,255
Total current assets		2,040,860	2,197,704
Non-Current Asset			
Property, plant and equipment	5	57,642	88,916
Intangibles	6	2,054	18,784
Total Non-Current Asset		59,696	107,700
Total Assets		2,100,556	2,305,404
Current liabilities			
Trade and other payables	7	167,619	135,227
Other liabilities	8	593,321	666,499
Provisions	9	32,736	46,076
Total current liabilities		793,676	847,802
Total liabilities		793,676	847,802
Net assets		1,306,880	1,457,602
EQUITY			
Reserves			
Retained earnings	10	1,306,880	1,457,602
Total equity		1,306,880	1,457,602

The above Statement of Financial Position is to be read in conjunction with the attached notes

SYDNEY WRITERS' FESTIVAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Retained earnings	Total
	\$	\$
Balance as at 1 January 2021	1,522,402	1,522,402
Deficit for the period	(64,800)	(64,800)
Other Comprehensive income for the period	—	—
Total comprehensive income for the period	<u>(64,800)</u>	<u>(64,800)</u>
Balance as at 31 December 2021	<u>1,457,602</u>	<u>1,457,602</u>
Deficit for the period	(150,722)	(150,722)
Other Comprehensive income for the period	—	—
Total comprehensive loss for the period	<u>(150,722)</u>	<u>(150,722)</u>
Balance as at 31 December 2022	<u>1,306,880</u>	<u>1,306,880</u>

The above Statement of Changes in Equity is to be read in conjunction with the attached notes

SYDNEY WRITERS' FESTIVAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
Cash flows from operating activities			
Receipts from customers and sponsors		3,926,103	4,296,401
Other government grants received		-	54,000
Payments to suppliers and employees		(4,080,518)	(3,709,129)
Interest received		<u>7,518</u>	<u>400</u>
Net cash inflow from operating activities	12	<u>(146,897)</u>	<u>641,672</u>
Cash flows from investing activities			
Purchase of property, plant & equipment		-	-
Sale/(Purchase) of intangibles		<u>-</u>	<u>-</u>
Net cash outflow from investing activities		<u>-</u>	<u>-</u>
Net increase in cash held		(146,897)	641,672
Cash held at the beginning of the year		<u>2,144,449</u>	<u>1,502,777</u>
Cash held at the end of the year	11	<u><u>1,997,552</u></u>	<u><u>2,144,449</u></u>

The above Statement of Cash Flows is to be read in conjunction with the attached notes

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

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

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

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 January 2022. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 January 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Fundraising Act 1998 and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

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

Critical accounting estimates

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

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Property, plant and equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected cash flows which will be received from the assets employment and subsequent disposal.

The depreciable amount of all fixed assets is depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Office equipment and fixtures are depreciated at 20% on a straight-line basis.

(b) Employee entitlements

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs. Other employee benefits payable later than one year have been measured at the net present value.

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

(c) Income tax

The entity makes no provision for income tax as it claims exemption under the provisions of Division 50 of the Income Tax Assessment Act 1997.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, at banks and bank overdraft. Bank overdrafts are shown within other financial liabilities in current liabilities on the Statement of Financial Position.

(e) Members' guarantee

As a Company limited by guarantee in accordance with the Company's Constitution, each member of the Company has a maximum liability of \$50.00 in the event of the Company being unable to meet its obligations as and when they fall due.

(f) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no later than 30 days after invoicing.

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

The company applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. Trade receivables and contract assets have shared credit risk characteristics and, as such the expected loss rates for trade receivables are a reasonable approximation of loss rates for contract assets. Losses incurred in the last 3 years represent less than 0.01% of receivables and are immaterial. Therefore, no impairment has been recorded.

(g) Impairment of assets

At each reporting date, the entity reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's value over its recoverable amount is expensed to the Statement of Profit or Loss and Other Comprehensive Income.

(h) Revenue recognition

Revenue from box office tickets are recognised upon sale of tickets to the patrons.

Sponsorship and grants are recognised in the Statements of Comprehensive Income when they are controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the Statement of Financial Position as a liability until such conditions are met or services are provided.

Donations are recognised as revenue when received.

Interest is recognised as revenue on a proportionate basis taking into account interest rates applicable to the financial assets.

Sponsorship-in-kind is recognised as revenue and an expense when services have been rendered.

(i) Goods and Service Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the assets or as part of an item of 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.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition

(k) Critical accounting estimates and judgments

There were no significant accounting estimates and judgments used in preparing the financial statements.

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

(I) Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current period financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Application of new and Accounting Standards

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

	Year ended 31 December 2022	Year ended 31 December 2021
	\$	\$
NOTE 2 – REVENUE		
Box office sales	981,242	1,248,937
Ticketing income	40,620	49,575
Co-production events	43,638	42,579
Commission received	44,986	39,849
Private donations	1,300,337	712,038
Sponsorship received	400,312	392,610
Interest received	7,518	400
Other income	66,074	65,159
Government grants received		
City of Sydney	370,000	370,000
Create NSW	870,000	1,090,000
Australia Council	98,497	142,114
Local Government	40,000	92,500
Other Government grants	-	54,000
International funding bodies	3,000	3,000
	4,266,224	4,302,761

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 3 – EXPENSES

	31 December 2022 \$	31 December 2021 \$
Festival operating expenses:		
Production expenses	1,711,085	1,697,373
Speakers' fees	188,220	111,998
Publicists' fees	5,768	5,674
Marketing & promotion expense	225,881	217,014
	2,130,954	2,032,059
Administration expenses:		
Employee benefits expense	1,880,883	1,883,058
Administration	289,718	303,162
Auditor's remuneration: audit services	25,000	25,000
Depreciation and amortisation	47,722	83,650
Rental expense	27,092	25,211
Doubtful debts	(4,940)	6,951
Training expense	20,567	8,470
	2,286,042	2,335,502
Total expenses	4,416,996	4,367,561

NOTE 4 – TRADE AND OTHER RECEIVABLES

Current

Trade receivables	2,312	2
Prepayments	26,915	16,201
Other assets	14,081	37,052
	43,308	53,255

Trade receivables are generally set by contracts. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. Trade receivables for a total amount of \$nil as at 31 December 2022 have been provided for.

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 5 – PROPERTY, PLANT & EQUIPMENT	31 December 2022 \$	31 December 2021 \$
<u>Non-current</u>		
Office equipment – at cost	329,901	330,183
Accumulated depreciation	(272,259)	(241,267)
Total property, plant and equipment	<u>57,642</u>	<u>88,916</u>

Movements during the period:

Office Equipment

Balance at the beginning of the period	54,735	54,735
Additions	-	-
Disposal	(282)	(3,382)
Depreciation expense for the period	3,189	37,563
Balance at the end of the period	<u>57,642</u>	<u>88,916</u>

NOTE 6 – INTANGIBLE ASSETS

Non-current

Website costs – at cost	236,876	236,876
Accumulated amortisation	(234,822)	(218,092)
Total intangible assets	<u>2,054</u>	<u>18,784</u>

Movements during the period:	31 December 2022 \$	31 December 2021 \$
Website costs		
Balance at the beginning of the period	18,784	66,159
Opening balance transfer from property, plant & equipment	-	-
Additions	-	-
Amortisation expense for the period	(16,730)	(47,375)
Balance at the end of the period	<u>2,054</u>	<u>18,784</u>

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 7 – TRADE AND OTHER PAYABLES	31 December 2022 \$	31 December 2021 \$
<u>Current (unsecured)</u>		
Trade payables	183,842	26,112
Other payables and accruals	27,484	77,847
GST Payable	(43,707)	31,268
	167,619	135,227
 NOTE 8 – OTHER LIABILITIES		
Deferred income	494,598	233,564
Grants in advance	98,723	432,935
	593,321	666,499
 NOTE 9 – PROVISIONS		
<u>Current</u>		
Provision for employee entitlements	32,736	46,076
Aggregate employee entitlements	32,736	46,076
	32,736	46,076
 NOTE 10 – RETAINED EARNINGS		
Retained earnings at the beginning of the period	1,457,602	1,522,402
(Deficit)/Surplus	(150,722)	(64,800)
Transfer to Retained earnings	-	-
Balance at the end of the period	1,306,880	1,457,602
 NOTE 11 - NOTES TO THE STATEMENT OF CASH FLOWS		
Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand and at bank	1,997,552	2,144,449
	1,997,552	2,144,449
 NOTE 12 –REMUNERATION OF AUDITORS		
Audit of the financial statements (In Kind)	\$25,000	\$25,000

SYDNEY WRITERS' FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

NOTE 13 – REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

	31 December 2022 \$	31 December 2021 \$
Remuneration of key management personnel	73,099	396,683

During the period, directors did not receive any remuneration or other benefits from the company.

	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
<u>Director donations</u>		
Total donation made by directors	77,591	25,210

NOTE 14 – SEGMENT REPORTING

The entity's activities are organised in one single business segment, being to plan, administer and conduct a regular literary festival in New South Wales.

NOTE 15 – CONTINGENT LIABILITIES

City of Sydney

If Sydney Writers' Festival Limited commits a material breach of the terms of the Funding Deed between it and the Council of the City of Sydney:

- a) The City may by written notice recall any part or all of the contribution made by it during the term or terminate the Deed, or do both of those things; and
- b) The City shall be relieved of any obligation under Deed 1-5 to provide any further contribution or additional contribution to Sydney Writers' Festival.

If there are insufficient moneys in any account held by Sydney Writers' Festival Limited to repay any part of the contribution recalled by the City pursuant to paragraph (a), then in addition to any other rights the City may have at law to recover the shortfall, the City may recover the shortfall as a debt due and owing by Sydney Writers' Festival Limited.

Australia Council

Any unspent or misspent funding is to be returned to Australia Council within 30 days or any notice from the Council seeking repayment of all or part of the funding, or the due date of the Project's completion, whichever is the earlier date.

If Sydney Writers' Festival Limited fails to comply with any of the conditions of funding, or fail to provide a satisfactory Grant Report at the times and in the manner as detailed in the Agreement, the Council may also ask you to pay back all or part of the funding provided to you under this Agreement; and/or the

SYDNEY WRITERS' FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Council may stop any future payments; and/or the Council may end this Agreement immediately. The Council may take action to recover any unspent or misspent funding as a debt due and payable to us.

NOTE 16 – COMPANY DETAILS

The registered office and principal place of business of the company is:

Level 3

10 Hickson Road

The Rocks, NSW 2000

NOTE 17 – EVENTS SUBSEQUENT TO REPORTING DATE

The 2023 Festival took place from 22-28 May at Carriageworks. The Festival was a great success bringing together international and local writers and readers to celebrate books in their many forms.

The 2023 Festival was the first Festival under the Chairmanship of Kathy Shand and the Artistic Directorship of Ann Mossop. There have been no other significant events occurring after the reporting period which may affect either the Company's operations or results of those operations or the Company's state of affairs.

SYDNEY WRITERS' FESTIVAL LIMITED

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors, the Directors of Sydney Writers' Festival Limited declare that:

- a. The attached financial statements and notes comply with the Australian Accounting Standards – Simplified Disclosures, the Australian Charities and Not-for-profits commission Act 2012 and associated regulations and other mandatory professional reporting
- b. The attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2022 and of its performance for the period ended on that date.
- c. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Signed in accordance with a resolution of the Board of Directors:



.....
Kathy Shand
Director



.....
Su-Ming Wong
Director

Date: 19th June 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Sydney Writers' Festival Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sydney Writers' Festival Limited (the registered entity), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Sydney Writers' Festival Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

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

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

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

Auditor's responsibilities for the audit of the Financial Report

Our 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 our 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 our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

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

This description forms part of our auditor's report.

BDO Audit Pty Ltd



Grant Saxon
Director

19 June 2023

SYDNEY WRITERS' FESTIVAL LIMITED

**DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
REVENUES		
Box office sales	981,242	1,248,937
- City of Sydney	370,000	370,000
- Arts NSW	870,000	1,090,000
- Australia Council: Literature Board	98,497	142,114
Other Government grants	-	54,000
Sponsorship received	400,313	392,611
Commission received	44,986	39,849
Interest received	7,517	399
Other income	66,074	65,159
Private donations	1,300,337	712,038
Co-production events	43,638	42,579
International Funding Bodies	3,000	3,000
Ticketing income	40,620	49,575
Local Government	40,000	92,500
Total revenues	4,266,224	4,302,761
EXPENSES		
Employee benefits expenses		
Holiday pay provision	11,813	17,681
Salaries	1,677,649	1,698,608
Superannuation	167,635	150,189
Other staff benefits	23,786	16,580
	1,880,883	1,883,058
Administration expenses		
Computer software	120,435	94,923
IT support	20,429	31,735
Taxis and transport	8,002	5,901
Administration Staff Travel	6,487	4,407
Telephone and fax	14,326	17,324
Business expenses	1,398	1,116
Printing and stationery	5,516	9,397
Freight and cartage	1,684	816
Recruitment	17,389	20,802
Sponsorship support	640	2,941
Subscriptions	9,136	5,570
Postage	2,286	421
Doubtful debts	(4,940)	6,951
Audit fees - audit of financial statements	25,000	25,000
Insurance	10,880	10,775
Depreciation	47,722	83,650
Bank charges	1,900	5,046
Rental	27,092	25,211
Training	20,567	8,470
Other expenses	69,210	91,988
	405,159	452,444

SYDNEY WRITERS' FESTIVAL LIMITED

**DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Year ended 31 December 2022 \$	Year ended 31 December 2021 \$
Festival expenses		
Advertising	269,411	234,385
Festival including in-kind	188,159	267,664
Recording and broadcast	74,733	59,533
Publicity fees	5,768	5,674
Design and art	71,228	73,191
Photography	15,036	14,987
Speakers fees	188,220	111,998
Per diems	15,870	15,520
Venue hire	340,581	440,237
Ticketing cost	26,273	39,683
Hire of plant and equipment	443,428	372,766
Signage	52,107	42,632
Travelling - overseas	9,576	-
Travelling - local	124,481	123,444
Entertainment and hospitality	18,260	12,938
Volunteers Program	6,317	5,412
Philanthropy support	76,429	61,991
Misc. Production Expenses	175,666	124,252
Other expenses	29,411	25,752
	2,130,954	2,032,059
Total expenses	4,416,996	4,367,561
Net (deficit)/surplus after income tax	(150,722)	(64,800)