

# PPCA ANNUAL REPORT 2020





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# HIGHLIGHTS

**PPCA licensors and registered artists and groups continued to increase in 2019-2020, maintaining our unbroken succession of growth in that area since 1990.**

- Income down by **18.1%** to 47,527,013
- Distribution down by **20%** to 40,196,365

The PPCA Trust approved **30** applications for funding:

- **23** related to... further education and research
- **7** to festivals, live music and local artists

# CHAIRMAN'S REPORT

2020 has certainly been a noteworthy year, for possibly the wrong reasons.

Starting on a high note, December 2019 saw our highest distribution ever to licensor labels and registered Australian artists, with almost \$50M allocated in December 2019. The distribution did include several years of back payments for a recently concluded Tribunal matter, but regardless had been a year of growth.

Then, unfortunately, 2020 happened. Overall revenue for the year ended June of \$47.53M was the lowest since 2016. A large part of this fall in revenue was due to the combined impact of the summer bushfire emergencies and the ongoing COVID-19 pandemic.

I take pride in the relief measures that PPCA was able to enact for licensees in response to these events. As you will be aware, for areas impacted by the bushfire emergencies in New South Wales and Victoria, all music licensing was paused. Existing licensees had their accounts placed on hold, and a complimentary 12-month licence was offered where appropriate. When COVID hit in March 2020 and licensees were forced to stop trading, we placed their accounts on hold, paused invoicing and suspended debt collection for any outstanding invoices.

I know that you are all well aware that the COVID-19 pandemic and resulting shutdown of venues had a devastating effect on the industry, particularly artists. In acknowledgement of the struggles faced, PPCA offered Registered Artists a one-off advance, with payments ranging between \$250 and \$10,000. Eligible artists were directly contacted by PPCA regarding the scheme, and I'm delighted with the speed of the PPCA team's response to those artists who elected to take up that offer.

Despite these hardships and the related curtailing of activities, there are some positive things to report:

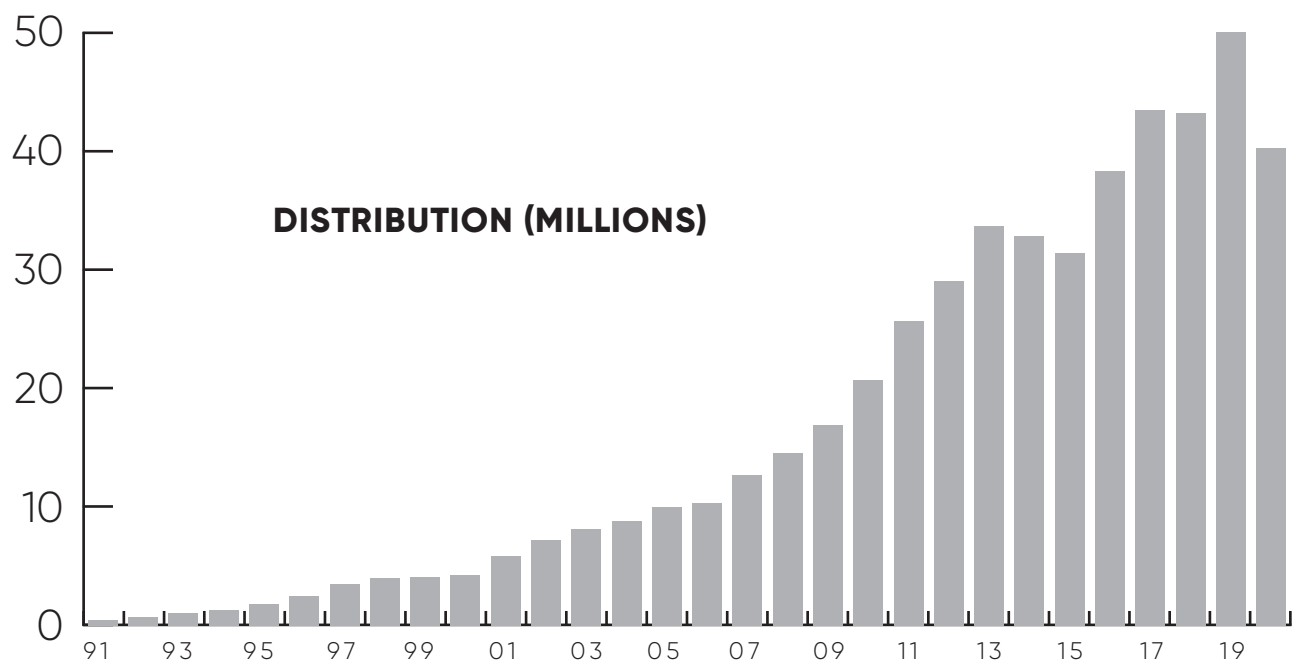
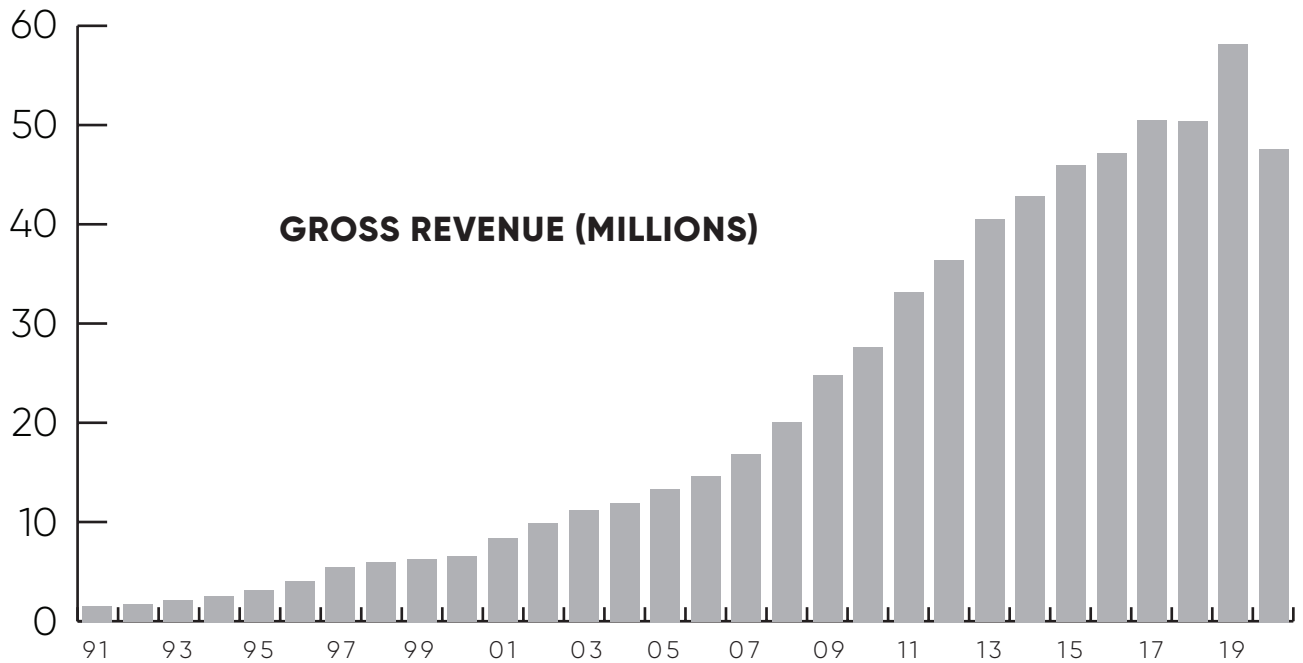
- Our artist and label registrations continue to steadily increase.
- We were once again able to partner with the Australia Council in offering five \$15,000 sound recording grants.
- We have also been able to continue to support Australian artists through relationships with, amongst others, Support Act Limited (the music industry benevolent scheme).
- We also continued the encouragement of developing artists through our sponsorship of the Break-through Artist Awards at both the AIR and ARIA Awards (for the fifth and ninth consecutive year respectively). We have also increased our funding commitment to Sounds Australia.
- OneMusic Australia commenced operations for new business in July 2019, and began the migration of pre existing APRA and PPCA clients from 1 September 2019. The new initiative is working well and, despite the disruption of the pandemic on its operations and those of its clients, continues to offer Australian businesses a one-stop shop for public performance licensing.
- PPCA was able to advocate on behalf of the sector in respect of COVID-19 relief and revitalisation, helping to secure important funding for Support Act to aid its crisis relief activities, and lobbying for the federally funded JobMaker program, which will deliver \$250M to the arts and entertainment industries.

Finally, I would like to extend my thanks to the Board and staff of PPCA for their efforts during what has been a particularly challenging year. I would particularly like to extend best wishes to Dan as he moves on to his new position at Warner Music in early 2021. I thank him for all of his efforts over the past 10 years, both for PPCA and the industry more broadly. It has been a pleasure to work with you all for another year and I look forward to a better and brighter 2021.



George Ash  
November 2020

# SUMMARY



# THE COMPANY

## Registered of Office

Level 4, 11-17 Buckingham  
Street, Surry Hills, NSW 2010  
A. C. N. 000 680 704

## Bankers:

Commonwealth Bank  
of Australia

## Solicitors:

Gilbert + Tobin

## Auditors:

Pitcher Partners  
Sydney

## Executive Secretariat

Dan Rosen  
Chief Executive Officer

Lynne Small  
General Manager

Linda Courtney  
Manager, Distribution

Alistair Alderson  
Manager, Business Technologies

Danny Yau  
Senior Marketing and  
Communications Manager

Rohini Sivakumar  
Corporate Counsel - Commercial

## Directors January 2020

George Ash (Chair)

Bill Cullen

Denis Handlin, AO

Lindy Morrison

Niko Nordström

Josh Pyke

Matthew Rogers

David Vodicka

# BOARD MEMBERS



## **George Ash** **PPCA Board Chairman**

George Ash became a member of the PPCA Board in August 2003.

George is also the President Asia Pacific of Universal Music Australia (UMA), a division of the Universal Music Group.

Prior to George's current position with Universal Music Australia, he held positions as Managing Director, UMA, Managing Director, Universal Music NZ, Managing Director, MCA Geffen NZ and held key management roles at BMG NZ. George has also held roles in Polygram Manufacturing and in the retail sector.

George's passion for the music industry began as a musician and has spanned 25 years including holding a variety of roles in key industry bodies within the NZ Industry before relocating to Australia in his current role in 2001.



## **Bill Cullen** **PPCA Board Member**

Bill is the Managing Director of One Louder Entertainment, the management home to Paul Kelly, Kate Miller-Heidke, Neil Finn, Alex The Astronaut, Kim Churchill and Ball Park Music.

He has been involved in the music business since leaving school, and did a long stretch working with Grant Thomas Management, working with acts such as Crowded House and The Rockmelons. A five year stint in London followed, where he worked with the legendary Pete Jenner (manager of Pink Floyd, The Clash, Billy Bragg etc) before going on to co-manage New Zealand act OMC (How Bizarre) who went on to a number one single and gold album in the US. He returned to Australia in 1999, and established One Louder, and has since had gold plus success with Alex Lloyd, George, Amiel, Sarah Blasko, Kate Miller-Heidke, End Of Fashion and Paul Kelly.



## **David Vodicka** **PPCA Licensor Representative & Board Member**

David Vodicka is the owner of Rubber Records and the principal of entertainment law firm Media Arts Lawyers and has had extensive experience with over 20 years practice representing musicians, artists, composers, and recording and publishing entities. He has dealt in all facets of law affecting the creative industries, and has had considerable hands on experience in the music recording and publishing fields as director of independent label Rubber Records and music publisher Rubber Music Publishing. He is a passionate advocate for local music and creative industries and presently is chairman of the board of AIR (the Australian Independent Record labels association) and is a current board member of ARIA (Australia Recording Industry Association).

He believes that the new digital era provides specific challenges for the recording industry and that ensuring that PPCA's members, and in particular the independent record labels, obtain a fair and equitable return for the public performance of their works is paramount.



## **Denis Handlin, AO PPCA Board Member**

Denis is the Chairman & CEO of Sony Music Entertainment Australia & New Zealand and President, Asia. He commenced his career with the company in 1970 and has been leading it since 1984.

Denis has a deep involvement in the music industry. He has served on the committees of several industry associations and has held various positions including Chairman of the Phonographic Performance Company of Australia (PPCA) and of the Australian Record Industry Association. He is the current Chairman of ARIA, a position he has held over many years since the early 90s including for 10 consecutive years from 1999 - 2008.

In November 2012, Denis was elected to the position of Vice Chairman of the International Federation of the Phonographic Industry (IFPI) Asia Regional Board and in November 2014, Denis was elected as Chairman of the IFPI Asia Pacific Board.

In May 1996, Denis became the first Australian and the first Sony Music Entertainment executive to be honoured with the CEO Special Recognition Award presented by Sony Corporation's Chairman and CEO Norio Ohga.

Denis is the co-founder of the Sony Foundation which was established in 1998 and has raised \$28 million for youth based causes. He is also very proud to be Patron of the Youth off the Streets Scholarship Program since its inaugural year in 2004. He is also an inaugural board member of the Ricky Stuart Foundation established in 2012 to raise funds to establish awareness and services for autism.

In the Australia Day 2005 Honours List, Denis was made a Member of the Order of Australia receiving "AM" in recognition of his service to the music industry, particularly through the promotion of Australian musicians, to professional organisations in the industry and for the work he has done in the community for charitable organisations.

In June 2009, Denis received from the peak Composer and Music Publisher organisation APRA, their prestigious Ted Albert Award for Outstanding Services to the Music Industry.

In April 2012, Denis received the "Label Executive of the Year - Major" award from the Worldwide Radio Summit Industry Awards held in Los Angeles.

Denis was awarded the ARIA Industry Icon Award by the ARIA Board in November 2014. The award is made in recognition of Denis' outstanding contribution to the development of the Australian music industry, in particular Australian artists and industry copyright and reform matters.

In May 2017, Denis accepted as a Foundation co-founder and on behalf of the Sony Foundation a special award at the Sony Annual Management conference in Tokyo. This was presented by CEO and President of Sony Corporation, Kaz Hirai, recognising the Foundation's outstanding contribution achieved from fundraising events to the benefit of the community and charitable causes through its programs, employee engagement, collaboration with business partners, Sony Music artists and ambassadors.

In the Queen's Birthday Honours List in June 2017, Denis was elevated to and awarded the Officer of the Order of Australia (AO), in recognition "for distinguished service to the Australian recording industry, through leadership and mentoring roles, as a supporter of young artists, and to charitable organisations as a director, patron and contributor".

Denis was announced as the Number 1 most influential figure in the Australian music industry in February 2018. The list is published annually by music industry publication, 'themusic', published by Street Press Australia. The annual countdown "encompasses all aspects of what goes on behind the scenes of the Australian music industry, including label heads, promoters, playlisters, festival organisers, music directors, radio figures and representatives of peak music bodies".

Denis has been married to his wife Jan for longer than he has been leading Sony Music. They married in 1977 and have six children.





## **Josh Pyke PPCA Artist Representative & Board Member**

Acclaimed multi-ARIA Award winning acoustic troubadour Josh Pyke is one of Australia's most respected and successful musicians, with an extensive career that has taken him across the country and around the world.

Josh has released 5 ARIA top ten solo albums, and won 4 ARIA's in a career that has spanned over 12 years.

Most recently, Pyke realised a long held dream in early 2015 when he played two special Sold Out shows at the Sydney Opera House backed by the Sydney Symphony Orchestra. The live recordings of this performance was released in 2016 and had 3 weeks at #1 on the ARIA Classical charts, and went on to win an ARIA in the 2016 ARIA awards.

Josh has always used his public position to remain a staunch advocate for the arts. With his work as an ambassador for APRA/AMCOS, the Indigenous Literacy Foundation, as well as his own project for young musicians, The Josh Pyke Partnership, Pyke has endeavored to not only raise funds and awareness for the arts, but offer his insights and mentorship from his experience as a working musician.

Josh has also been a Patron for the PPCA, and was the elected Artist member representative on the Board of Directors for the PPCA in 2016.

## **Lindy Morrison, OAM PPCA Artist Representative & Board Member**



Lindy Morrison has been a member of the PPCA Board, as a representative of registered Australian recording artists, since 1994.

Lindy toured the world as a drummer, with Zero (1978 – 79), The Go-Betweens (1980 – 89) and Cleopatra Wong, (1990 – 93). She is presently playing with Dave Mason (The Reels) in The Sandy Shores and Alex the Astronaut.

Since 1993, Lindy has worked around Australia as the musical director or performer in shows, parades and festivals, and has led drum and music workshops with many diverse and varied community groups. She now works with Waverley Council on music programmes at the Bondi Pavilion and teaches Music Business at TAFE Ultimo.

Lindy has a Bachelor of Social Work and is the part time social worker for Support Act Ltd—the benevolent society for musicians and workers in the music industry. In 2009 she completed her Masters in Legal Studies at UNSW. Lindy has been a passionate advocate for artists' rights throughout her career.

In 2013 Lindy was awarded an Order of Australia medal for service to the Australian music industry. In 2015, she was awarded the APRA Ted Albert Award.

Lindy can be contacted at [lindy.morrison@bigpond.com](mailto:lindy.morrison@bigpond.com) or at 0467 492 843.



## **Matthew Rogers** **PPCA Licensor Representative &** **Board Member**

Matthew Rogers is the Chief Operating Officer of UNIFIED Music Group, the fastest growing Australian independent music company. As an entertainment lawyer, he has represented some of the most well-known Australian labels and artists, including working as in-house counsel at the iconic Mushroom Group.

At UNIFIED, Mat is now involved in managing Australia's largest artist management group, a suite of online merchandise stores that includes D2C stores for Sony Music Australia and STL Tones, a record label group including UNFD, Domestic La La, THAA, Exist. Recordings, ONETWO and NLV Records, an award-winning boutique publishing catalogue and an events business that promotes tours as well as the hugely successful UNIFY: A Heavy Music Gathering festival.

Mat is a member of the board of the Australian Independent Record Label Association (AIR) and is a Vice President of the Worldwide Independent Network (WIN Council) where he represents Australian independent labels. Mat has been involved in various advocacy issues for the industry including the Parliamentary Friends of Music events in Canberra and the Creative Victoria Music Passport Advisory Board. Mat's passion for artists, music and the independent community is stronger than ever as he works with Australian artists both locally and internationally.



## **Niko Nordström** **PPCA Board Member**

Niko Nordström was appointed President of Warner Music Australasia on 1 April 2017 and is based in Warner Music Australia's Sydney office. Niko previously served as Managing Director of Warner Music Finland (commencing in 2007), and additionally held the role of Vice President of Warner Music Nordics. During Niko's tenure as Managing Director of Warner Music Finland, the company's market share has doubled from 15.1 per cent to 30.6 per cent. Warner Music Finland's A&R success has been well recognized with its artists collecting more than 50 per cent of the all the awards in the Local Grammys and the company being named record label of the year for eight years in a row at the Music Industry Awards.

Before joining Warner Niko ran his own label HMC – Helsinki Music Company, which was an innovative and modern music company with active 360-elements under one roof; label, publishing and agency activities. HMC was bought by Warner Music in 2007. In addition, Niko has held several positions of responsibility in different organizations. He was a chairman of the board of IFPI Finland and also a board member of Gramex, Finland's copyright society for artists and producers. Niko holds a degree in marketing and business administration at the Helsinki School of Economics

# MANAGEMENT REPORT

This report covers a period like no other for PPCA, its registered artists, Licensors and Licensees. From flood, to fire and then a global pandemic it is safe to say that it has been an incredibly challenging period for all of our stakeholders, all of whom have had to demonstrate resilience, find ways to quickly adapt, and care for their community. It is clear the coming year will continue to challenge us all, but PPCA's commitment to achieving fair returns for creators, and those who support and invest in them, remains.

## Financial

PPCA's financial results for the 2019/20 year were impacted by the lockdowns and venue restrictions which plagued Australia during the last quarter of our financial year. Overall revenues fell by 18% when compared to the prior year results, although a significant portion of that variance can be attributed to the one off back payment relating to the conclusion of a longstanding broadcast licence matter, as outlined in our previous annual report. The area most impacted by the unexpected 2019/20 circumstances was public performance revenue, which dropped 21%.

Total licensing revenue, at \$46.5M, fell into three categories – broadcast (\$18.8M), public performance (\$24.8M), and communication (\$2.9M). Impacted by the unexpected events of the last quarter of the financial year, our expense to revenue ratio for the year was 15.4% compared to 13.9% in the previous financial year.

Licensor numbers and those for registered artists continued to grow.

## OneMusic Australia

As previously reported OneMusic Australia launched on 1 July 2019, providing a one stop service centre for public performance licensing. The initiative delivers blanket licences that cover rights for both sound recordings and musical works, and simplifies the music licensing process for businesses using music.

As outlined in previous reports an enormous amount of preparation foreshadowed the launch of OneMusic, with lengthy consultation with a broad range of industry sectors on the proposed new joint licence schemes that would apply under OneMusic. In parallel the PPCA licensing team liaised with tens of thousands of existing licensees to recalibrate their annual renewal date to align with that of their existing APRA licence, in order to smooth the way for an easy transition to the new schemes.

We were pleased with the strong adoption rate for the new licence schemes, and the widespread use of the on line facilities developed to streamline and simplify administration for our clients. All in all, up until Australia felt the impact of COVID-19, the OneMusic transition was on track and exceeding our forecasts.

However, the impact of natural disasters followed by COVID-19 in early 2020 completely disrupted the majority of industries licensed by OneMusic and, as a result, the carefully laid plans for the OneMusic roll out. Collaborating closely with APRA, through OneMusic PPCA provided licence fee relief to all businesses that were forced to unexpectedly close, resulting in a substantial decline in public performance revenue this year.

Unfortunately the problem of unexpected and recurring restrictions on trading as a result of the pandemic continue to plague various parts of the country, and will also have a serious negative impact on revenues in the coming 2020/2021 financial year.

The pandemic has also delayed the finalisation of a small number of proposed licence schemes which were undergoing a period of industry consultation when OneMusic launched. Although we had expected to finalise and implement those schemes in the 2019/2020 year, the disruption to business during the period has prevented that from occurring. We continue to seek feedback from those sectors on our updated licence scheme proposals and, in the interim, the relevant schemes previously established by each of APRA and PPCA continue to apply and are administered centrally by OneMusic. Details of tariff scheme consultations can be found at [onemusic.com.au/consultation](http://onemusic.com.au/consultation).

Despite these unexpected and uncontrollable setbacks we are confident that the launch of OneMusic will be of immense long term benefit to our stakeholders, while also providing an enhanced level of service and convenience for our licensees – making it easier than ever for businesses to lawfully use music and support creators.

## Distributions

The PPCA Distribution for the 2019/2020 year was, as usual, made in late December 2020, with just under \$40.2M distributed to PPCA Licensors and registered Australian artists. Approximately 15% of the distributable surplus was directed to PPCA Licensors and Artists based overseas.

Despite the disruption caused by the pandemic registrations under PPCA's Artist Direct Distribution Scheme continue to grow, as did the number of PPCA Licensors (including independent artists that control their own master rights, and authorise PPCA to include those rights in its blanket licences).

At the end of the financial year PPCA had almost 4,600 Australian artists registered under the Artist Direct Distribution Scheme, and 2,900 licensors. This allows PPCA to offer music users blanket licence schemes that cover the repertoire of tens of thousands of labels – millions of tracks traversing all genres.

In response to the immediate and unanticipated impact of the COVID-19 crisis on the livelihood of its registered artists, in March 2020 the PPCA Board initiated an emergency special policy to provide one off distribution advances to PPCA artists experiencing hardship. Eligible registered artists were contacted and invited to take up the opportunity, and the PPCA Distribution Team moved quickly to effect those payments as speedily as possible. Overall over 200 artists took advantage of the initiative, which provided some measure of assistance while Federal Government initiatives were being developed.

During the period PPCA also produced and promoted to Artists and Licensors its updated Distribution Policy, a new Distribution Information Guide, and a separate Guide to Undistributed Funds. Undistributed funds occur as a result of two broad issues. First, if the contact details for the PPCA Registered Artist or Licensor cease to be current and secondly if funds allocated against a particular track are the subject of dispute between two or more Licensors. In the first case PPCA tries to contact the stakeholder by alternative means (for example, by email or mobile phone, if the individual has provided that information and their postal address is no longer current) and, if that is unsuccessful, notes the 'missing' individual on its website in its 'Lost Artist' or 'Lost Licensor' lists as appropriate. PPCA encourages stakeholders to review these lists periodically, to see if their details need to be updated or alert industry colleagues if they see that someone they know is listed there. Once PPCA has been able to make contact with the individual, any held payments will be forwarded.

In the case of repertoire disputes, PPCA alerts the relevant parties as soon as the dispute arises, and seeks to facilitate its resolution before a distribution allocation takes place. If the dispute is not resolved when a distribution takes place the tracks continue to receive an allocation of relevant earnings, and those earnings are held until the dispute can be resolved. PPCA provides regular updates to Licensors in relation to any tracks they may have in dispute, and connects the parties to facilitate resolution.

## Music Community Support and Advocacy

More than ever during 2019/20 PPCA was pleased to continue its longstanding support of for a range of initiatives important to the local music community. These include Sounds Australia, the National Aboriginal and Torres Strait Islander Music Office, Support Act, the Arts Law Centre of Australia, the Copyright Council of Australia, the Australian Songwriters Association Awards, the Association of Artist Managers (AAM) and the Music Matters campaign. Further, PPCA also continued its activities through the PPCA Performers' Trust Foundation (the Trust), details of which can be found later in this report.

We would also like to acknowledge our continued and valuable partnership with the Australia Council. Through this partnership, initiated in 2013, each year PPCA has provided grants to Australian recording artists, helping them to achieve their creative ambitions. The five annual grants of \$15,000 are provided to assist with the costs of creating new recordings and the promotion of those recordings. The worthy recipients of the seventh round of PPCA Recording Grants, announced on 1 July 2020, were:

- South West Syndicate, aka SWS, a pioneering hip-hop collective from South West Sydney. The SWS project is a full length album to be recorded at Church street Studios and produced by Emmy award winner Sean Carey;
- Angeline Armstrong, to develop a cinematic-inspired deep ambient electronic EP, Telenova at The Base Recording Studios with producer Tony Buchen (Montaigne, Thelma Plum, Tim Finn) and engineer Phil Threfall;
- Jane Stanley, UK based Australian contemporary classical composer, to record her first composer portrait album showcasing five new pieces recorded and released in partnership with the Scottish Music Centre, Composers Edition and the Australian Music Centre;
- Nathan Bird (aka Birdz) to record and release his second full length album, Legacy, on indigenous record label Bad Apples Music; and
- KnD, to release their second album Always Was, Always Will Be through CAAMA Music. KnD is Alice Springs hip-hop duo: Karnage, Tristrum Watkins, a Western Aranda man from Hermannsburg, and Darknis, Corinna Hall, an Ngarrindjera / Koratha woman from Raukkan and Ceduna, South Australia.

We look forward to seeing the results of these projects, and again thank the Australia Council for its expertise and assistance in administering.

We were also delighted to partner with ARIA and the Australia Council for a special project that will deliver five additional grants for new recordings from First Nations artists. Building on the longstanding and successful PPCA Australia Council partnership, and made possible through the support of the Australian Government through the Indigenous Contemporary Music program, this initiative is designed to provide development opportunities for Aboriginal and Torres Strait Islander musicians and bands throughout Australia. We look forward to providing an update on the outcome of this initiative in our next annual report.

PPCA was extremely active throughout the 2020 calendar year in its efforts to bring to the attention of all levels of government the catastrophic impact the pandemic had wrought on creators, particularly those whose livelihood relies on live performance. It is commonplace for members of the music industry to step up during times of crisis, helping with fundraising and supporting communities, and in 2020 the industry itself called on fellow Australians for support. PPCA advocated strongly to ensure that relief initiatives such as JobKeeper were available to industry participants, and for revitalisation support that will be provided through the JobMaker program, which will deliver \$250M in funding for the arts and entertainment sectors. We also welcomed the much needed crisis relief funding the Federal Government directed to Support Act, allowing it to greatly expand both its crisis relief and Wellbeing helpline programs during this time of unprecedented need.

We will continue to advocate for the industry, to ensure that its contribution to the economic, social and cultural recovery of Australia is recognised and supported.

During the year PPCA continued its activities in support of local artists and the industry by maintaining and developing relationships with key music bodies and events, partnering with new and established events, speaking at industry seminars, participating in education programs and advertising at music industry events and in industry media. Circumstances have prevented many annual events from proceeding but, as in many other sectors, we have seen a shift to online connectivity, and have participated in many virtual panels and other educational activities - continuing to spread the word on the value of music, the importance of copyright and a legal framework that supports rights protection, and encourage artists and rights owners to register with PPCA.

Examples include:


- In November 2019, for the ninth consecutive year, PPCA sponsored the Breakthrough Artist award at the 33rd Annual ARIA Awards in partnership with YouTube Music. Global sensation Tones and I took home the award, from a strong field including G Flip, Stella Donnelly, the Teskey Brothers and Thelma Plum;
- In July 2019 PPCA representatives travelled to Indie-Con in Adelaide and, throughout the conference, manned a drop in area for artists and labels to connect with the PPCA Distribution Team, get help with their registrations, raise any issues or just have a chat about our work;
- PPCA was proud to again sponsor the Breakthrough Artist of the Year category at the 2020 AIR Awards held in Adelaide, and made available online where, once again, Tones and I was the deserving recipient;
- In late November 2019 PPCA's General Manager attended the AGM of the Association of Artist Managers, presenting on PPCA's activities and responding to questions on registration and eligibility;
- In the first half of the 2020 calendar year, in collaboration with AIR, PPCA undertook a 'roadshow' in Melbourne, Brisbane and Sydney, providing an opportunity for industry members to learn more about PPCA and raise any questions or issues. Further online sessions were conducted to replace events cancelled due to COVID-19 related travel restrictions;
- Sponsorship of the 'Contribution to Australian Music – initiative' (won by 4EB Brisbane for Music Masala, A Spicy Blend of Music and Life) and the 'Excellence in Music Presenting' (won by Triple H 100.1FM Sydney, for Road to Bluesfest) category awards at the 2019 Community Broadcasting Association of Australia awards.

PPCA maintains a strong presence on Facebook and Twitter, and continues to grow its audience, using these platforms to keep recording artists, labels and the broader industry aware of our activities.

## Code of Conduct

PPCA was a founding subscriber to the voluntary Code of Conduct for Copyright collecting Societies, developed collaboratively by the societies in 2001. The compliance of the participating societies with the Code is reviewed by an independent Code Reviewer annually, and the Code itself is reviewed every three years. Both the annual compliance review and the triennial review of the Code are undertaken independently and incorporate public consultation. An updated Code was introduced on 1 July 2019, and a separate website established by the societies as a central location to house all relevant material. The site is located at [copyrightcodeofconduct.org.au](http://copyrightcodeofconduct.org.au), and contains all annual compliance and triennial review reports, together with the submissions of each society. Materials relating to the Code can also be found on the PPCA website, accessed from links at the foot of each page. These materials include the current Code, and copies of all reports issued by the Code Reviewer since the establishment of a voluntary Code, in respect of both annual compliance and triennial Code reviews.

The report of the independent Code Compliance Reviewer, the Hon Kevin Lindgren AM QC, for the year ending June 2019 was published on 20th November, and demonstrates PPCA's ongoing compliance with its obligations under the Code.



Under the amended Code, which came into effect on 1 July 2019, there will now be separate independent Code Reviewers for the annual compliance and triennial review processes. Dr Lindgren continues in the newly titled role of Code Compliance Reviewer, and a Triennial Code Reviewer will be formally appointed in advance of the next triennial review, scheduled for 2021.

### **The year ahead...**

The 2019/20 financial year was one of disruption and challenge and, at the time of writing, it appears that the difficulties we have all faced may continue for some time. We acknowledge the efforts of the PPCA team, all of whom - whatever their own circumstances - have worked hard to maintain service levels, with the vast majority working remotely since March 2020. Despite these difficulties there were highlights to note, such as the launch of OneMusic Australia and the success of that initiative, and the continued growth in our licensor and registered artist base.

Whatever the circumstances PPCA will continue to advocate for our stakeholders, particularly in the areas of copyright reform and government support for industry recovery, to do our part to ensure that the industry is well positioned for the future.

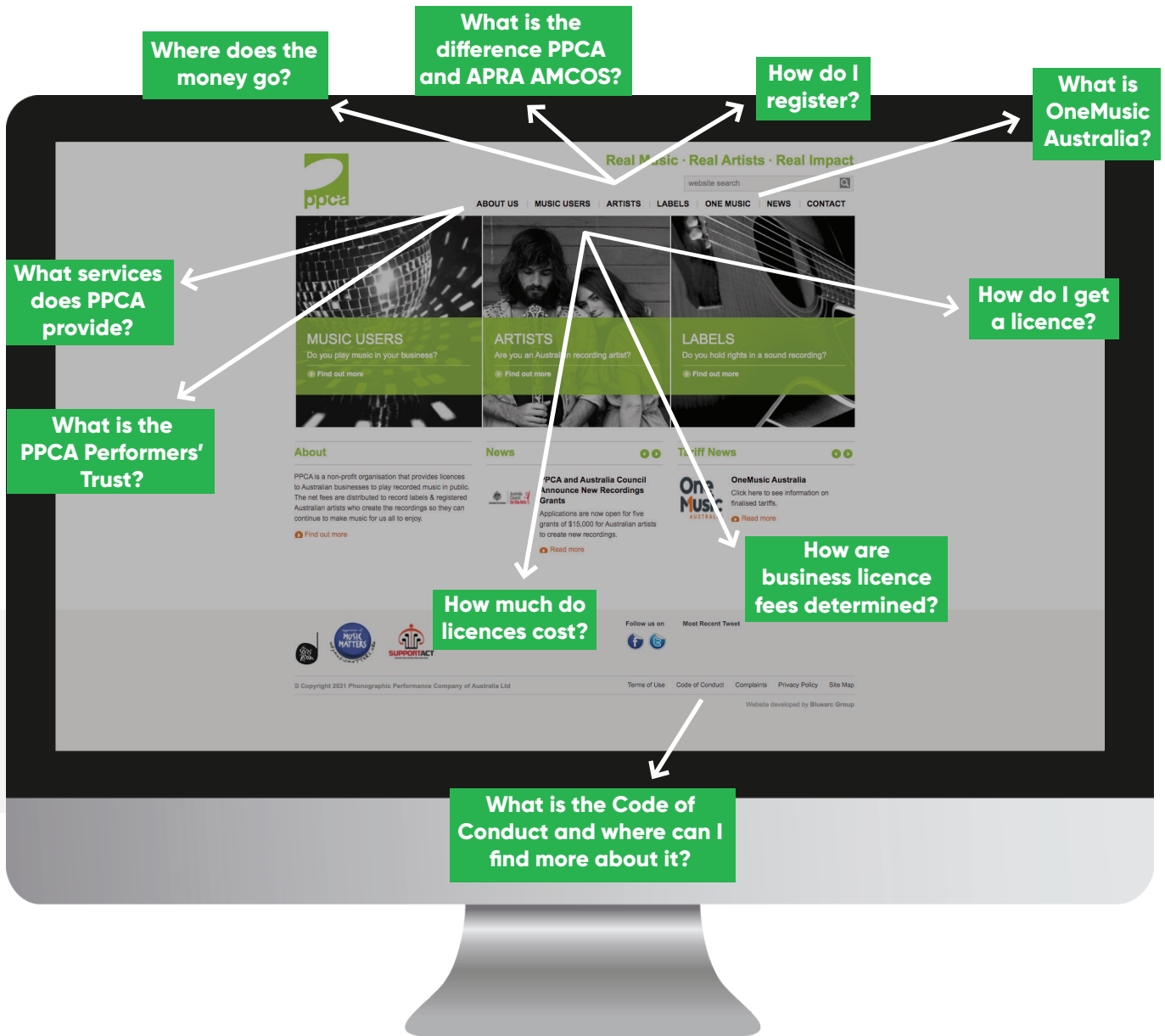
The end of 2020 sees Dan Rosen depart the CEO role, having served the organisation since his appointment in late 2010. In early 2021 new appointment Annabelle Herd will take on the CEO role. We welcome Annabelle, and take this opportunity to thank Dan for his valuable contribution over the last ten years, both to PPCA and the industry more broadly. We wish him every success in his new role.

For updates on PPCA's activities please visit our website ([www.pcca.com.au](http://www.pcca.com.au)) where you can access our newsletters and media releases. You can also connect with us via Facebook ([www.facebook.com/ppca.official/](http://www.facebook.com/ppca.official/)) and Twitter ([www.twitter.com/ppca](http://www.twitter.com/ppca)). We look forward to hearing from you!

# 50 MOST PLAYED ARTISTS

1. Ed Sheeran
2. Tones and I
3. P!nk
4. Jonas Brothers
5. Shawn Mendes
6. Post Malone
7. Taylor Swift
8. Maroon 5
9. Guy Sebastian
10. Dua Lipa
11. Sam Smith
12. Lewis Capaldi
13. Meduza,
14. Katy Perry
15. Marshmello
16. 5 Seconds Of Summer
17. INXS
18. Justin Bieber
19. Birds Of Tokyo
20. Lady Gaga
21. The Chainsmokers
22. Lizzo
23. The Weeknd
24. Queen
25. Ariana Grande
26. Avicii
27. Bruno Mars
28. Freya Ridings
29. U2
30. Harry Styles
31. Jessica Mauboy
32. Halsey,
33. Rihanna
34. Kygo
35. Calvin Harris
36. Justin Timberlake
37. Billy Joel
38. Elton John
39. Miley Cyrus
40. Selena Gomez
41. Bon Jovi
42. Madonna
43. Sam Feldt
44. Fleetwood Mac
45. Coldplay
46. Dean Lewis
47. Imagine Dragons
48. Mark Ronson
49. Regard
50. Drax Project

# PPCA WEBSITE FAQs





# PPCA PERFORMERS TRUST

## PPCA Trust Activities

Since its inception, PPCA has funded and co-administered with the Musician's Union and the Media Entertainment and Arts Alliance (formerly Actor's Equity) the "PPCA Trust". The Trustees during the period 1 July 2019 – 30 June 2020 were George Ash, Dan Rosen, Patricia Amphlett, and Jim Glaister.

In exercising their powers pursuant to the provisions of the Trust, the Trustees have the power to pay or to apply the Trust Fund to or for the benefit of such beneficiaries as the Trustees in their absolute discretion from time to time determine in respect of one or more of the following purposes:

1. performance at concerts at or for charitable institutions such as hospitals or homes for the aged; or,
2. scholarships for the promotion and encouragement of musical and theatrical education; or
3. the promotion and encouragement of the performing arts to the general public; or, in particular,
4. the aid or assistance of any beneficiary who in the opinion of the Trustees is unable to adequately maintain herself/himself by her/his own exertions and other income.

Total funds provided since creating the Trust have been \$2,908,940 (up to 30 June 2020).

In the 2019-2020 year, four Trust meetings were held and 69 applications were put to the Trustees. Of these, 30 were approved totaling \$81,038. Of the successful applications 23 related to further education and research; and 7 to festivals, live music and local artists.

## The names of the recipients are as follows:

Adam Richardson
Christine Xin Ran Pan
Dennis Park
Ensemble Offspring
Hamish Strathdee
James Blackford
Jasmine Leung
Jeremy Kleeman
Jessica Harper
Leonard Weiss
Lucy Price
Marline Freeland
Robert Maxwell Foster
Media Entertainment & Arts Alliance
Michelle McCarthy
Miriam Crellin
Musicians Union of Australia
Owen Elsley
Piera Dennerstain
Ryszard Pusz
Samuel Dobson
Shane Lestideau

# PERFORMER'S TRUST TESTIMONIALS

Just got the letter and cheque from the PPCA Trustees - thank you so much! This is amazing. Please pass my thanks along to anyone relevant.

This means that I've now got enough sponsorship to cover studio fees, and the camp can definitely go ahead. Really excited to put it together!

Thanks again and will keep the Trust Foundation updated, and also provide a report after the camp.

Cheers!  
Sally

---

I hope that this reaches you well amidst the tragic shutdowns affecting so many arts organisations across the globe.

Having found some time to rest during our spring break, I thought that you might appreciate a brief update on my PPCA-supported studies with Marin Alsop at Peabody Conservatory in Baltimore. Although our classes have just been moved online to facilitate self-isolation, the beginning of the semester was a whirlwind of activities. A few weeks ago I had the incredible opportunity to conduct the National Symphony Orchestra in a masterclass with their Music Director Gianandrea Noseda, working on Beethoven Symphonies Nos. 2 & 4.

All going well, I expect to visit Australia in the middle of this year, hoping that conditions will have eased to allow safe travel and for concert commitments to proceed. I look forward to providing more details of my activities over the coming months. In the meantime, I hope that you and those around you are keeping well in this most unprecedented situation.

With my best wishes,  
Leonard

I still have a huge smile on my face from Fridays Music 4health event. The engagement by the students was wonderful! They played, conducted, sang and one boy even danced!

The musicians were, as always, accommodating to our students, patient and one could see their passion for engaging with our beautiful children. It was perfect! The feedback from the schools was excellent. I handed out a survey and they cannot wait till next year. The verbal feedback was just as glowing.

To the Musicians, Jen, Tom and yourself our heartfelt thanks for listening and for sharing our vision of making music fun and accessible to all! We hope we can do this again next year with you.

With sincere thanks and kindest regards,  
Grace Fava OAM  
Founder/CEO, Autism Advisory and Support Service

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We have had three wonderful Music4Health events so far this year. Our first was at Sydney Children's Hospital in Randwick, through our ongoing partnership with Starlight Children's Foundation. Our musicians performed excerpts of classical music which made the kids stand up and dance, plus family favourites like Moana and even Harry Potter, which was perfect because it was Harry Potter week in the Starlight room! "Captain Starlight" from the Starlight Children's Foundation had a blast asking quirky questions about all of the instruments and extracting personal stories from our musicians.

All of this was broadcast on closed circuit television to the children in the ward who were too sick to leave their beds.

We are so grateful to be able to put on these Music4Health events and simply could not achieve this without the support of organisations such as PPCA Performers' Trust Foundation. Thank you so much for your support of the Sydney Symphony Orchestra!

Best regards,  
Mihka

---

Dear PPCA Trustees,  
I would like to thank you for your generous support of my studies in Pordenone, Italy at the Segovia Guitar Academy with Prof. Paolo Pegoraro and provide a brief report of my activities.

I was fortunate enough to travel from Darmstadt, Germany, where I am currently in the process of finishing my Postgraduate Artistic Studies Diploma, to Pordenone, an hour away from Venice, for the 3 of the 4 lessons with Prof. Pegoraro. The last lesson, however, had to be conducted online due to the travel restrictions imposed throughout Europe due Covid-19.

This would have not been possible, if not for the support of the PPCA – for which I am incredibly grateful.

With kind regards,  
Hamish Strathdee



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For the financial year ended 30 June 2020

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# DIRECTOR'S REPORT

For the financial year ended 30 June 2020

The directors of Phonographic Performance Company of Australia Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

## Information about the directors and senior management

The names and particulars of the directors of the company during or since the end of the financial year are:

NAME	PARTICULARS
George William Ash	President, Record Company
Elizabeth Ann Blakey	(Alternate for Niklas Nordstrom) Business Affairs Director, Record Company
Duncan Collins	Chief Operating Officer, Record Company
David William De Barran Cullen	Director, Management Company
Karen Ann Don	(Alternate for George William Ash); Director, Legal & Business Affairs, Record Company
Denis Anthony Handlin	Chairman and CEO; Australia and New Zealand, President: Asia, Record Company
Belinda Morrison	Independent Artist
Niklas Erik Nordstrom	Managing Director, Record Company
Gordon James Pitt	(Alternate for Denis Handlin); General Manager, Legal & Business Affairs, Record Company
Joshua Jon Pyke	Independent Artist
Matthew Ian Rogers	Chief Operating Operator, Record Company
David Andrew Vodicka	Managing Director, Record Company

The above named directors held office during the whole of the financial year and since the end of the financial year, except for:

Duncan Collins	Appointed 1 July 2020
Matthew Ian Rogers	Resigned 30 June 2020

### **Company secretary**

Ms Lynne Maree Small, Certified Practising Accountant, held the position of company secretary of Phonographic Performance Company of Australia Limited during and since the end of the financial year. She joined Phonographic Performance Company of Australia Limited in 1996 and was appointed company secretary on 16 May 1997.

### **Principal activities**

The principal activity of the company in the course of the financial year was acting for the copyright owners in the licensing throughout Australia of the broadcast, communication and public performance of sound recordings and music video clips. During the financial year there was no significant change in the nature of those activities.

### **Review of operations**

The company's results are negatively affected an extensive countrywide lockdown of customers & venues as a result of Covid 19. Otherwise they are fairly static in the amount to be distributed to Copyright owners as compared with the previous year.

The results of the operations of the company during the year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature except as noted above. The company's distribution to its licensors in relation to the current year was \$40,196,365 (2019: \$49,987,772). The company's results for the financial year ended 30 June 2020 was a profit of \$nil (2019: \$nil).

### **Significant changes in state of affairs**

There were no significant changes in the state of affairs of the company during the financial year.

### **Matters subsequent to the end of the financial year**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has 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.

### **Future developments**

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

### **Environmental regulations**

The company's operations are not subject to any particular and significant environmental regulations under any State or Federal laws.

### **Dividend**

The company is a not-for-profit company and is prohibited from paying a dividend by its constitution.

### **Indemnification of officers and auditors**

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, Lynne Maree Small, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer 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.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

### Distribution

The annual surplus to be distributed in accordance with the Company's distribution policy is \$40,196,365.

### Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year, 6 board meetings were held.

BOARD OF DIRECTORS	ELIGIBLE TO ATTEND	ATTENDED
George William Ash	6	6
Elizabeth Blakey (alternate)	6	5
Duncan Collins	-	-
David William De Barran Cullen	6	5
Karen Ann Don (alternate)	-	-
Denis Anthony Handlin	6	-
Belinda Morrison	6	4
Niklas Erik Nordstrom	6	-
Gordon James Pitt (alternate)	6	5
Joshua Jon Pyke	6	4
Matthew Ian Rogers	6	2
David Andrew Vodicka	6	6

### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporation Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporation Act 2001.

### Auditor's independence declaration

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4 of the annual report.

This directors' report is signed in accordance with a resolution of directors made pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



George William Ash  
Director  
Sydney, 4 November 2020



# AUDITOR'S INDEPENDENCE DECLARATION

For the financial year ended 30 June 2020

**TO THE DIRECTORS OF PHONOGRAPHIC PERFORMANCE COMPANY OF  
AUSTRALIA LIMITED  
ABN 43 000 680 704**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2020 there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



M A ALEXANDER  
Partner

PITCHER PARTNERS  
Sydney

4 November 2019

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 June 2020

## 5. Revenue and other income

	Note	2020 \$	2019 \$
Revenue	5	46,901,209	56,848,843
Interest revenue calculated using the effective interest rate method		790,851	1,216,301
Subscription fees paid or payable to the International Federation of Phonographic Industry		(340,459)	(329,821)
Employee benefits expense		(3,144,868)	(4,101,497)
Depreciation and amortisation expense		(865,685)	(304,702)
Occupancy expense		-	(321,341)
Finance Costs		(53,489)	-
Distribution to licensors		(40,196,365)	(49,987,772)
Legal expenses		(133,255)	648,851
Public performance commissions		(1,298,984)	-
Other expenses		(1,658,955)	(2,371,160)
Profit before tax	6	-	-
Income tax expense	4(c)	-	-
Profit after income tax		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



# STATEMENT OF FINANCIAL POSITION

For the financial year ended 30 June 2020

		2020 \$	2019 \$
<b>Current assets</b>			
Cash and cash equivalents	14(a)	1,452,838	2,249,730
Trade and other receivables	7	2,702,574	11,676,882
Other financial assets	8	44,592,801	50,592,801
<b>Total current assets</b>		48,748,213	64,519,413
<b>Non-current assets</b>			
Property, plant and equipment	9	993,066	1,030,555
Lease assets	10	1,513,093	-
<b>Total non-current assets</b>		2,506,159	1,030,555
<b>Total assets</b>		51,254,372	65,549,968
<b>Current liabilities</b>			
Trade and other payables	11	49,133,438	64,939,700
Lease liabilities	10	504,216	
Provisions	12	532,673	514,373
<b>Total current liabilities</b>		50,170,327	65,454,073
<b>Non-current liabilities</b>			
Lease liabilities	10	1,071,840	-
Provisions	12	12,196	95,886
<b>Total non-current liabilities</b>		1,084,036	95,886
<b>Total liabilities</b>		51,254,363	65,549,959
<b>Net assets</b>		9	9
		9	9
	13	9	9

# STATEMENT OF CHANGE IN EQUITY

For the financial year ended 30 June 2020

	Share capital \$	Retained earnings \$	Total \$
<b>Balance as at 1 July 2018</b>	9	-	9
Total comprehensive income for the year	-	-	-
<b>Balance as at 30 June 2019</b>	9	-	9
Total comprehensive income for the year	-	-	-
<b>Balance as at 30 June 2020</b>	9	-	9

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

# 2020 STATEMENT OF CASH FLOW

For the financial year ended 30 June 2020

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		53,445,815	57,140,052
Payments to suppliers and employees		(10,268,244)	(11,515,669)
Distributions to licensors		(49,946,300)	(43,186,481)
Interest paid		(53,489)	-
Net cash (used in)/provided by operating activities	15(b)	(6,822,218)	2,437,902
<b>Cash flows from investing activities</b>			
Interest received		790,851	1,216,301
Payments for plant and equipment		(309,714)	(175,916)
Net (payments for) from term deposits		6,000,000	(3,000,000)
Net cash provided by/ (used in) investing activities		6,481,137	(1,959,615)
<b>Cash flows from financing activities</b>			
Payment for the principal portion of lease liability		(455,811)	-
Net cash (used in) financing activities		(455,811)	-
<b>Net increase in cash and cash equivalents</b>		<b>(796,892)</b>	<b>478,287</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	14(a)	<b>2,249,730</b>	<b>1,771,443</b>
<b>Cash and cash equivalents at the end of the financial year</b>		<b>1,452,838</b>	<b>2,249,730</b>

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

# NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 30 June 2020

## 1. General information

Phonographic Performance Company of Australia Limited (the company) is an unlisted public company limited by shares, incorporated and operating in Australia. The financial statements are presented in Australian dollars.

The financial statements were authorised for issue by the directors on 13th November 2020.

## 2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. These financial statements do not comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards and Interpretations that are not yet mandatory have not been early adopted.

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

and have been consistently applied unless stated otherwise.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

## 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements have been applied:

### Allowance for expected credit losses

The allowance for expected credit losses assessment in relation to trade receivables requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include historical collection rates.

## **Net current asset deficiency**

As at 30 June 2020 the company has a net current asset deficiency of \$1,422,114 (2019: \$934,660). Included in the company's current liabilities are aggregate amounts representing the licence fees received in advance of \$277,872 (2019: \$7,435,014) and amounts payable to licensors of \$39,913,898 (2019: \$49,618,834).

While the amount payable to the licensors will be settled in December 2020, the licence fees received in advance will be used to support the operations of the company in the next financial year with only the surplus forming part of the amount which will be distributed to the licensors in relation to the financial year ending 30 June 2020.

Consequently, the net current asset deficiency position at the 30 June 2020 is due to the nature of the business and does not highlight an issue relating to the going concern assumption of the company.

## **Lease Term**

The lease term is a significant component in the measurement of both the lease 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; incurrance of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset.

The Company 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 Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the lease asset, with similar terms, security and economic environment.

## **4. Summary significant accounting policies**

### **New, Revised or Amended Accounting Standards and Interpretations Adopted**

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

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory havenot been early adopted.

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

### **AASB 1058 Income of Not-for-Profit Entities**

The Company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt.

Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

For transfers of financial assets to the entity which enable it to acquire or construct a recognisable nonfinancial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions to owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137.

The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately.

### **AASB 15 Revenue from Contracts with Customers The Company has adopted AASB**

15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price.

This is described further in the accounting policies below.

Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment.

Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The changes have been applied using the modified retrospective method which means the comparative information has not been restated as permitted under the specific transition provisions in the standard.

There was no material impact on the adoption of AASB 15 and AASB 1058 on the Company on initial application.

## AASB 16 Leases

The Company has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, lease assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a

depreciation charge for the lease assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs).

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB

### 4. Summary of significant accounting policies (continued)

117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

### Practical expedients applied:

The following practical expedients have been applied on transition to AASB 16:

- Contracts which had previously been assessed as not containing leases under AASB 117 and associated Accounting Interpretations were not re-assessed on transition to AASB 16
- The lease liability has been discounted using the incremental borrowing rate at 1 July 2019
- The lease asset at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by any prepaid or accrued lease payments
- Hindsight was used when determining the lease term where the contract contains options to extend or terminate the lease.

### Measurement of lease liabilities:

Operating Lease commitments disclosed at 30 June 2019	464,178
Less: Impact of discounting using incremental borrowing rate of 3% at the date of initial application	(49,559)
Add: Impact of extension of lease term	1,617,248
Lease Liability recognised as at 1 July 2019 Of which are:	2,031,867
Current lease liability	455,811 1,576,056

### Measurement of lease assets:

The lease assets recognised for property leases were measured on a retrospective basis as if new rules had always been applied.

The adjustment recognised in the statement of financial position on 1 July 2019:

- Lease asset increased by \$2,031,867
  - Lease liability increased by \$2,031,867
- There was no effect on retained earnings on 1 July 2019.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### **(a) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **(b) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is brought to account over the terms of the licences issued on the following basis:

-Public performance licence fees are normally issued for a period of one year, although shorter periods are accommodated. In all cases licence fees are payable in advance. Income is brought to account on a monthly basis over the life of the contract.

-Broadcast licences are issued for various terms - income is brought to account on a monthly basis over the life of the contract.

-Revenue from the disposal of other assets is recognised when the entity has passed control of the other assets to the buyer.

#### **Interest revenue**

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

#### **Government grants**

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met. Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme, which provide temporary subsidies to eligible businesses significantly affected by coronavirus (Covid 19).

#### **(c) Income tax**

The company prepares its income tax returns on the basis that it acts as agent for the copyright holders that it represents. As such, it does not derive income on its own account. Rather, it is entitled under its constituent document to be reimbursed for expenditure incurred in the course of its activities. The basis of assessment has been agreed with the Australian Taxation Office. The net effect of temporary and permanent differences arising from expenditure incurred by the company is passed on to the recipients of the royalties collected.

#### **(d) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

Deposits with a maturity of greater than three months from the date of acquisition are classified as other financial assets.

#### **(e) Other Financial assets**

##### **Recognition / derecognition**

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date).

Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

##### **Classification of financial assets**

Financial assets recognised by the company are subsequently mea-

sured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9. Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

(a) the company's business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial asset.

##### **Financial assets at amortised cost**

Term deposits are classified (and measured) at amortised cost on the basis that:

(a) they are held within a business model whose objective is achieved by the company holding the financial asset to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **Impairment of financial assets**

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition or construction of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment.

Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values

and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

- Office furniture	5 to 10 years
- Office equipment	3 to 7 years
- Motor Vehicles	5 years
- Computer equipment	3 to 7 years
- Leasehold improvements	7 years
- Software	3 to 10 years

## (g) Intangibles

### IT development and software

Costs incurred in developing products or systems and costs in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software. Costs capitalised included external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis from the date the asset is brought into use over periods generally ranging from three to ten years.

IT development costs include only those

costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Company has an intention and ability to use the asset.

IT development and software are included in property, plant and equipment.

## (h) Lease assets & liabilities

### **Lease assets**

A lease asset is recognised at the commencement date of a lease. The lease asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Lease assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of

### **LEASE LIABILITIES**

Lease liabilities A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments aris-

ing from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## (i) Employee benefits continued

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the company in respect of services provided by employees up to reporting date.

### Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

## (j) Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



## 5. Revenue and other income

	2020 \$	2019 \$
<b>Revenue from contracts with customers</b>		
Licence fees	46,448,663	56,848,843
Other Revenue	285,000	-
Government subsidies - Jobkeeper	165,046	-
Rent received	2,500	-
Sundry revenue	452,546	-
<b>Total Revenue</b>	<b>46,901,209</b>	<b>56,848,843</b>

## 6. Profit for the year

Other specific disclosures

Profit for the year before income tax includes the following expense

	2020 \$	2019 \$
Post employment benefits - defined contribution plans	304,434	378,076
Provision for doubtful debts	75,000	346,324

## 7. Trade and other receivables

	2020 \$	2019 \$
Trade receivables	1,953,931	6,151,880
Allowance for expected credit losses	(582,953)	(725,000)
	<b>1,370,978</b>	<b>5,426,880</b>
Prepaid expenses	158,422	121,103
Other licence receivables	614,064	5,569,863
Other receivables	559,110	559,036
	<b>2,702,574</b>	<b>11,676,882</b>

## 8. Other financial assets

	2020 \$	2019 \$
Financial assets at amortised cost		
Term deposits	44,592,801	50,592,801

## 9. Property, plant and equipment

	Office furniture at cost \$	Motor Vehicles at cost \$	SOFTWARE \$	COMPUTER equipment at cost \$	Leashold Improvements at cost \$	Total \$
<b>Cost</b>						
Balance at 1 July 2018	322,432	33,409	3,001,897	492,039	611,702	4,461,479
Additions	1,067	-	167,748	7,101	-	175,916
Disposals	-	-	-	-	-	-
<b>Balance at 30 June 2019</b>	323,499	33,409	3,169,645	499,140	611,702	4,637,395
Additions	47,042	-	261,301	1,371	-	309,714
Disposals	(70,242)	-	(30,406)	(140,062)	-	(240,710)
<b>Balance at 30 June 2020</b>	300,299	33,409	3,400,540	360,449	611,702	4,706,399
<b>Accumulated depreciation</b>						
Balance at 1 July 2018	(318,474)	(17,818)	(1,941,612)	(412,532)	(611,702)	(3,302,138)
Depreciation expense	(3,177)	(6,682)	(265,434)	(29,409)	-	(304,702)
Disposals	-	-	-	-	-	-
<b>Balance as at 30 June 2019</b>	(321,651)	(24,500)	(2,207,046)	(441,941)	(611,702)	(3,606,840)
Depreciation expense	(12,035)	(6,682)	(297,754)	(30,440)	-	(346,911)
Disposals	70,242	-	30,405	139,771	-	240,418
<b>Balance at 30 June 2020</b>	(263,444)	(31,182)	(2,474,395)	(332,610)	(611,702)	(3,713,333)
<b>Net book value</b>						
As at 30 June 2019	1,848	8,909	962,599	57,199	-	1,030,555
As at 30 June 2020	36,855	2,227	926,145	27,839	-	993,066

## 10. Trade and other payables

### Lease assets

The company has one lease over its office premises that is due to expire in May 2023.

	2020 \$	2019 \$
Buildings	2,031,867	-
Provision for depreciation	518,774	-
	1,513,093	-

### Lease liabilities

	2020 \$
Lease liability – current	504,216
Lease liability – non-current	1,071,840
Interest expense on lease liabilities	53,489
Total cash outflow in relation to leases	509,300

## 11. Trade and other payables

	2020 \$	2019 \$
Trade and other payables	8,837,467	7,491,859
Goods and services tax payable	104,201	411,613
Licence fees received in advance	277,872	7,956,613
Amounts payable to licensors	39,913,898	42,862,544
	49,193,438	64,939,700

## 12. Provisions

	2020 \$	2019 \$
Current Employee benefits	532,673	514,373
Non-current Employee benefits	12,196	95,886

<b>13. Issued capital</b>	<b>2020</b> \$	<b>2019</b> \$
9 fully paid ordinary shares (2017: 9)	9	9

	<b>2020</b>		<b>2019</b>	
	<b>No.</b>	<b>\$</b>	<b>No.</b>	<b>\$</b>
Fully paid ordinary shares				
Balance at the beginning of the financial year	9	9	9	9
Balance at the end of the financial year	9	9	9	9

Fully paid ordinary shares carry one vote per share.

In accordance with the constitution of the company, no dividends are to be distributed to shareholders.

Three shares were cancelled in the year following a merger of two shareholders, in line with the company's constitution.

#### **14. Capital and leasing commitments**

##### **Operating leases**

##### Non-cancellable operating lease commitments

**2019**  
\$

Not longer than 1 year	464,178
Longer than 1 year and not longer than 5 years	-
Longer than 5 years and not longer than 10 years	-
	464,178

The company has no capital commitments at reporting date (2019: nil).

#### **15. Notes to the statement of cash flows**

##### **(a) Reconciliation of cash and cash equivalents**

For the purposes of the statement cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement cash flows is reconciled to the related items in the statement of financial position as follows:

	<b>2020</b> \$	<b>2019</b> \$
Cash and cash equivalents	1,452,838	2,249,730

**(b) Reconciliation of profit for the year to net cash flows from operating activities**

	2020 \$	2019 \$
Profit for the year	-	-
Depreciation and amortisation	865,685	304,702
Loss on disposal	292	-
Interest income received and receivable	(1,216,301)	(1,216,301)
Changes in assets and liabilities		
(Increase)/decrease in assets:		
Trade and other receivables	8,974,309	(4,822,340)
Increase/(decrease) in liabilities:		
Trade and other payables	(15,806,262)	8,216,495
Provisions	(65,391)	(44,654)
Net cash provided by/ (used in) operating activities	(6,822,218)	2,437,902

**16. Key management personnel compensation**

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2020 \$	2019 \$
Short-term employee benefits	1,126,105	1,322,544
Post-employment benefits	106,980	125,642
	1,233,085	1,448,186

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## 17. Related party transactions

### (a) Key management compensation

Details of key management personnel compensation are disclosed in note 16 to the financial statements.

### (b) Transactions with other related parties

Other related entities include entities with common control. Related entities include Australian Recording Industry Association Limited, Music Rights Australia Pty Limited and PPCA Performers' Trust Foundation.

Aggregate amounts receivable from other related parties are disclosed in note 7 to the financial statements. Amounts receivable from related parties are unsecured, non-interest bearing and are repayable at call.

Rental income of \$165,046 (2019: \$147,316) was charged to Australian Recording Industry Association Limited and Music Rights Australia Pty Limited. The rental cost is deemed to be under normal terms and conditions.

Clerical services expense of \$813,488 (2019: \$969,194) was charged to Australian Recording Industry Association Limited and Music Rights Australia Pty Limited.

A grant of \$20,874 was paid to PPCA Performers' Trust Foundation (2019: \$26,759)

## 18. Subsequent events

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has 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.

## 18. Company details

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

Level 4, 11-17 Buckingham Street, Surry Hills,  
NSW 2010

# DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001, and

(a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001; and

(b) give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date.

2. In the directors' opinion 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:



**George William Ash**  
Director

Sydney, 4 November 2020

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Phonographic Performance Company of Australia Limited “the Company”, which comprises the statement of financial position as at 30 June 2020, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the Company’s financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

### 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 Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants “the Code” that are relevant to 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 directors are responsible for the other information. The other information comprises the information included in the Company’s directors report for the year ended 30 June 2019, 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, 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 Management and Those Charged with Governance for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company’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 direc-

tors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropri-



ate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Melina Alexander*

M A ALEXANDER  
Partner  
4 November 2020

*Pitcher Partners*

PITCHER PARTNERS  
Sydney

# PPCA PERFORMERS' TRUST FOUNDATION

For the financial year ended 30 June 2020

	2020 \$	2019 \$
<b>Current assets</b>		
Cash and cash equivalents	59,016	97,862
Trade and other receivables	5	96
Other financial assets	50,000	50,000
<b>Total current assets</b>	109,021	147,958
<b>Total assets</b>	109,021	147,958
<b>Current liabilities</b>		
Trade and other payables	3,600	3,500
Grants allocated and unexpended at the end of the financial year held by trustess for beneficiaries	77,903	118,411
<b>Total current liabilities</b>	81,503	121,911
<b>Total liabilities</b>	81,503	121,911
<b>Net assets</b>	27,518	26,047
<b>Funds</b>		
Funds retained in the Trust	27,518	26,047
<b>Total funds</b>	27,518	26,047

The above statement of financial position should be read in conjunction with the accompanying notes.



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