



QUEENSLAND WRITERS CENTRE



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ANNUAL
REPORT

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**QUEENSLAND
WRITERS
CENTRE**



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QWC PROFILE

VISION

Queensland Writers Centre wants more writers to have sustainable careers and to be read and enjoyed throughout the world.

MISSION

Our mission is to support the practice and development of writers, to advance their recognition and opportunities nationally and internationally and to nourish a vibrant writing culture in Queensland.



Originally established in 1990, Queensland Writers Centre (QWC) celebrated 20 years of Queensland writing in 2010. Until this date, the Centre had been housed in Brisbane's iconic Metro Arts Building. The move in 2010 to Level 2 of the State Library of Queensland (SLQ), marked a new era in QWC's history, and has enabled QWC to expand and enhance the resources and services it provides to members. From its new home, QWC is working to generate significant benefits for the Queensland writing industry by encouraging substantial collaborations between the state's leading writing organisations. Since 1990, QWC's membership has grown to more than 2,300 people, but the Centre provides information and services on writing and publishing to more than 30,000 people annually.

With the opportunities presented by its new home at SLQ, QWC's programs, projects and partnerships are growing. Already, QWC works with many partners to cultivate a vibrant writing culture across Queensland, including libraries, festivals, regional councils, writers groups, and cultural and community organisations and more.

QWC's engagement with regional writers continues with the ongoing activities of the annual program, and a new initiative – Queensland Writers Week – launched in 2010. Queensland Writers Week is a grassroots, community-initiated literary festival open to individuals, groups and organisations across Queensland. In 2010, 75 events throughout the state joined in Queensland Writers Week to connect over 2,800 people with opportunities to engage in writing activities.

In May 2010, QWC launched the Institute for the Future of the Book, or if:book Australia. The initiative was born after QWC identified a need for more support and research for Australian writers and publishers navigating read:write cultures, new markets and business models in the digital age.

if:book is a think-tank that promotes new forms of digital publishing and explores ways to boost connections between writers and audiences. It is only the third centre of excellence of its kind for digital literature established in the world, after if:book New York and if:book London.

The Australian Writer's Marketplace (AWM) is a business unit of QWC created to support our members and other writers throughout Australia and New Zealand. AWM publishes a book and website which list thousands of career and submission opportunities for writers, and provides online learning and community engagement through AWMonline.

AWM also hosts GenreCon, a national conference to celebrate Australian writing.

Throughout 2012, QWC responded to rapid change in the publishing sector by implementing new publishing and distribution services for our AWM print edition, as well as developing a digital production workflow which will allow us to increase the range of titles and formats we publish under the AWM brand to assist writers to develop and market their work.

CHAIR'S REPORT

In 2012, Queensland Writers Centre posted more milestones in advancing literature and writing in Queensland. Our continual striving to achieve our vision – to help more Queensland writers to have sustainable careers and to be read and enjoyed throughout the world – is an ongoing project. The organisation continually endeavours to seek out more creative and responsive measures to achieve its aims and assist writers to celebrate the wealth and successes of Queensland's writing community.

The past year saw the initiation and launch of the inaugural GenreCon, our new national conference for Australian writers of genre fiction. GenreCon 2012 was presented in Parramatta, New South Wales as an event of The Australian Writer's Marketplace, and initial indications are that there is a place in the QWC's events calendar for this conference in the future. Also, we conducted the first Books from Our Backyard launch. Books from Our Backyard is an initiative that is specifically intended to highlight the splendid diversity, richness and talent that is Queensland writing and Queensland writers. *if:book* Australia continues to develop and evolve, reaffirming its leading position in the digital publishing and book futures of Australia. The year again saw the partnering of Hachette Australia and Allen & Unwin to provide for the very successful National Manuscript Development Program designed to provide writers with a professional avenue for their manuscripts to be developed and enhanced, and to assist in finding possible publication avenues.

QWC has continued to invest in regional communities wherever and however possible. This year saw the development of a Regional Writers Advisory Panel as a measure for regional areas to have more concise input into what may be required and how QWC may provide and enhance services for its regional members.

I thank and acknowledge the individual members of the QWC Management Committee who provide leadership and direction as well as contributing their

time and experience to take the organisation forward: Sue Abbey, Mark Fallu, Julie Barnett, Alex Adsett, Linda McBride-Yuke, Chris Herden, Leanne Dodd, Anne-Maree Britton, Kathleen Jennings. I would also like to thank Anne-Marie Halton who unfortunately had to resign from the committee due to family concerns. I also thank the two Chief Executive Officers who managed QWC during 2012, Kate Eltham and Meg Vann, for their energetic efforts and leadership. I would like to personally thank and recognise Kate Eltham for her years of leadership, vision and untiring dedication to the Queensland Writers Centre. Kate Eltham made a tremendous contribution during her time as CEO and, as a result, QWC is a far more enhanced, vibrant and professional organisation because of her endeavours. I also thank QWC staff for their passion, dedication and unwavering attention to our membership and their constant striving to always improve and enhance QWC's service provisions for our members throughout the state.

Acknowledgement is also due to the Queensland Government, in particular Arts Queensland, for their ongoing financial support and provision of ideas and policy direction for Queensland Writers Centre. Our continuing strategic partnership with the State Library of Queensland continues to prosper via the library's ongoing commitment to A State of Writing and associated program and events.

Queensland Writers Centre remains focused on providing facilities, support and program to assist in enhancing our members' writing abilities and professionalism. The provision of advice and direction to writers at any stage in their writing journey is the object that makes all of QWC's efforts worthwhile: Helping Queensland writers to create their individual stories and to have them read and appreciated everywhere.

Kevin Gillespie

Chair



CEO'S REPORT

2012 was a year of transition for Queensland Writers Centre, with long-serving CEO Kate Eltham moving on to become Director of Brisbane Writers Festival. During Kate's near seven years of service, her creative vision and entrepreneurial spirit built QWC into Australia's most vibrant writers centre. QWC's Management Committee conducted a rigorous and broad selection process, and I am thrilled to step up from managing QWC's The Australian Writer's Marketplace unit to lead QWC through the next stage of our evolution.

Throughout this year of change and renewal, QWC staff maintained continuity and excellence throughout our program and services. In 2012, Queensland Writers Centre delivered support, advice, resources and professional services to more than 56,867 writers. We delivered events and support to 25 towns across the state including Atherton, Ayr, Bowen, Charters Towers, Esk, Gatton, Georgetown, Ingham, Innisfail, Laidley, Mareeba and Stratford, as well as our regular destinations where we enjoy vibrant community partnerships, such as Cairns, Townsville, Rockhampton, Bundaberg and Toowoomba.

2012 was a year of continued change for the publishing industry, with uncertainty still surrounding book futures, and some movement towards new opportunities. In the last 12 months we saw the proposed merging of two major global publishing concerns to create Penguin Random House, the rise of niche digital-first imprints within trade publishers such as Harlequin Escape, and a noticeable upsurge in self-published projects. As well, experimental start-ups like Xoum are positioning themselves to grow into emerging opportunities within this shifting landscape. These factors continue to re-shape the commercial landscape for Australian writers, multiplying their options for pursuing sustainable careers as artists, as well as impacting on the type of creative and professional development support they need to survive and thrive.

Through 2012, Queensland Writers Centre continued our leadership in helping Australian writers to understand and benefit from these changes. Partnering with the Australian Society of Authors, QWC's if:book Australia conducted Amplified Author workshops in major centres and regional locations throughout Australia, after which several writers, including children's author Paul Jennings, created their own

ebooks and published them to major online vendors. The 24-Hour Book was an if:book initiative in which a book titled Willow Pattern was written, edited and published in both print and digital within 24 hours. The book is now available throughout Australia and internationally.

QWC also launched successful initiatives that create new opportunities for writers to advance their professional knowledge and networks, and nurture their readerships:

- Books from our Backyard 2011 is a catalogue of books written by Queensland writers in 2011. QWC developed, produced and disseminated this great promotional resource to bookshops and libraries throughout Queensland.
- QWC took advantage of new technologies to further move into a digital workflow, with the production of a suite of new mini-titles from *The Australian Writer's Marketplace*, all of which have been well-received, while the popularity of the classic volume continues.
- QWC's AWM also hosted the highly successful inaugural GenreCon, a national conference to celebrate and develop Australian genre writers.

In 2012, QWC delivered our largest ever program of author presentations, workshops, industry seminars and literary events, including the brand new Whispers, a regular reading salon celebrating Queensland voices. None of this could have been achieved without our exceptional staff, who demonstrate a strong sense of personal mission in their support of writers: they work long hours, often at night and during weekends, and always aim for the highest standards of creativity and connection in developing and delivering QWC activities. I thank each and every one of QWC's employees, interns and volunteers for the talent, enthusiasm and dedication they bring. I also thank the Management Committee for their guidance and support, and our major partners the Queensland Government and Australia Council for the Arts.

Meg Vann
CEO

TREASURER'S REPORT

Against a backdrop of unpredictable economic and environmental times, I am pleased to report that QWC has improved its financial position during the course of the year and remains well-positioned to continue its significant contribution to the sustainable careers of Australian writers.

Total revenue for FY2012 was \$1,168,101, a 1.9 % increase compared to the previous year. While this is a positive result, the main contributor was a higher level of Government funding in 2012 allowing us to deliver more extensive programs and projects. In terms of QWC updating its forward-looking three year finance strategy, it aims to reduce some of its reliance on Government Grants to become a more sustainable organisation. To this end, during 2012 QWC launched its philanthropy strategy with the introduction of its Giving Campaign in November. Donors made a small but very heartening contribution to income for 2012. It is hoped that the future rollout of this strategy will increase the proportion of income from non-government sources. Wherever possible, QWC will also endeavour to increase its earnings to funding ratio by offering new and relevant programs and services to its members and the general public.

Economic uncertainty also brings less discretionary spending ability. This is especially true in smaller regional areas and QWC has been able to continue to support regional communities by offering free services throughout 2012. These tighter economic conditions and a short-term technical fault in the renewal system caused the 13% drop in membership income in 2012. During the latter part of the year QWC invested resources in updating its IT infrastructure and enhancing its website and systems. Alongside targeted marketing, this has seen membership numbers stabilise.

Total expense for FY2012 was \$1,157,010 representing a 2.3% increase compared to the previous year, however this result was below budget and a satisfactory overall result

was achieved with financial cost control by management. I applaud the effort and oversight in managing expenses on projects, while still providing services and workshops that meet the mission and objectives of QWC. While costs have increased ahead of revenue, resources were also invested in creating and holding the inaugural *GenreCon* genre writers' convention, which is expected to be a flagship event for QWC going forward. It was encouraging to see the support and attendance that this event achieved in its first year.

In summary, QWC made a net surplus for the year of \$11,091, a small decrease on its surplus in 2011 of \$16,407, and will continue to focus on generating operating surpluses. QWC is in a healthy financial position with Net Assets of \$214,591 at 30 June 2012 and its cash flow remains solid. The Management Committee remains comfortable with the current operating position given the available reserves. The coming year poses fresh challenges with changing government policies and increasing competition from the commercial and online sectors. QWC's closing reserves place it in a sound position to meet these challenges head on in the coming year by expanding its product and customer base and partnering with like-minded organisations to harness synergies.

I wish to thank my fellow Management Committee members and the management staff for their hard work and considerable achievements during the year. Sincere thanks also go to our members. Your continued support and attendance at QWC events is greatly appreciated.

The following Management Committee members were paid for professional services in 2012, such as editorial consultancies or teaching:

Alex Adsett - \$355.00

Leanne Dodd
Treasurer

FINANCIAL STATEMENT

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 \$	2011 \$
Revenue	1,168,101	1,146,815
Less:		
Administration costs	(177,495)	(165,303)
Depreciation costs	(4,790)	(7,334)
Marketing & Promotion	(37,788)	(81,839)
Programs & Projects	(324,573)	(249,885)
Salaries & Wages	(612,364)	(626,047)
Total Expenses	(1,157,010)	(1,130,408)
Profit before Income Tax	11,091	16,407
Income Tax Expense	-	-
Profit after Income Tax	11,091	16,407
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	203,500	187,093
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	214,591	203,500

BALANCE SHEET AS AT 31 DECEMBER 2012

	NOTE	2012 \$	2011 \$
CURRENT ASSETS			
Cash Assets	2	359,441	529,054
Receivables	3	48,337	35,041
Prepayments		8,555	24,159
TOTAL CURRENT ASSETS		416,333	588,254
NON-CURRENT ASSETS			
Fixed Assets	4	10,089	15,146
Intangibles		7,500	7,500
TOTAL NON-CURRENT ASSETS		17,589	22,646
TOTAL ASSETS		433,922	610,900
CURRENT LIABILITIES			
Payables	5	35,061	50,299
Other liabilities	6	184,270	357,101
TOTAL CURRENT LIABILITIES		219,331	407,400
TOTAL LIABILITIES		219,331	407,400
NET ASSETS		214,591	203,500
EQUITY			
Retained Earnings		214,591	203,500
TOTAL EQUITY		214,591	203,500

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1981 (Qld). The committee has determined that the association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1981 (Qld) and the following Australian Accounting Standards:

AASB 1031 Materiality

AASB 110 Events after Balance Sheet Date

No other applicable Accounting Standards. Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Fixed Assets

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(b) Software & Website

Software & website costs are expensed as they are incurred.

(c) Revenue

Revenue from the sale of goods and provision of service are recognised upon the delivery of goods to customers.

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

d) Goods and Services Tax (GST)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 \$	2011 \$
Revenue		
Grants Expended, Australia Council	60,420	60,000
Grants Expended, Arts Queensland	616,058	531,496
Other Grants Earned	89,880	131,280
AWM Income	58,125	60,441
Grant Administration	-	475
Interest Income	26,184	40,378
Membership	94,820	107,472
Other Income	32,036	44,965
Sales – Miscellaneous	27,064	17,931
Workshops/Professional Development Fee	163,514	152,377
	1,168,101	1,146,815

NOTE 2 – CASH ASSETS

Cash on Hand	512	184
Cash at Bank	358,929	528,870
	359,441	529,054

NOTE 3 – TRADE AND OTHER RECEIVABLES

Trade Debtors	46,667	25,945
GST Receivable	1,670	9,096
	48,337	35,041

NOTE 4 – FIXED ASSETS

Office Furniture & Equipment	27,937	27,937
Less : Accumulated Depreciation	(22,141)	(20,394)
	5,796	7,543
Computer Equipment	28,819	29,086
Less: Accumulated Depreciated	(24,526)	(21,483)
	4,293	7,603
	10,089	15,146

NOTE 5 – PAYABLES

Trade Creditors	6,415	17,054
Provision for Annual Leave	18,414	17,240
PAYG Payable	7,345	7,916
Super Payable	2,887	8,089
	35,061	50,299

NOTE 6 – OTHER LIABILITIES

Prepaid Membership/Workshops/Seminars	32,577	23,559
Grants received in advance	151,693	333,542
	184,270	357,101

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 \$	2011 \$
INCOME		
Grants expended, Australia Council		
Annual Operational Funding	60,420	60,000
	60,420	60,000
Grants expended, Arts Queensland		
Annual Operational Funding	387,924	332,062
Industry Development Initiatives – Writers Development Program	10,712	10,000
Industry Development Initiative – 3Cs	208,533	179,434
Miscellaneous Funding	8,889	10,000
	616,058	531,496
Other Grants expended		
Project Grants	89,880	131,280
	89,880	131,280
Earned Income		
AWM Income	58,125	60,441
Donations	2,044	134
Fundraising	-	20,588
General Income	29,992	24,243
Grant Administration	-	475
Membership	94,820	107,472
Sales – Miscellaneous	27,064	17,931
Workshops/Entry Fees	163,514	152,377
	375,559	383,661
Other Income		
Interest Received	26,184	40,378
TOTAL INCOME	1,168,101	1,146,815

**DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 \$	2011 \$
EXPENDITURE		
Auditor's Remuneration	3,350	3,390
Bad Debts Written Off	324	410
Bank Charges	6,644	11,295
Catering	34,221	19,020
Communications	21,180	24,523
Consultancy Fees	122,792	127,832
Contract Work	139,405	97,984
Depreciation	4,790	7,334
Equipment Hire	10,378	8,627
Insurance	3,902	3,778
Loss on Disposal of Assets	267	310
Meeting Expenses, State Executives	-	2,186
Merchandise & Retail	5,773	3,456
Newsletter (AWM) Expenses	104,061	87,051
Office consumables	46,066	40,656
Professional Development	5,605	6,849
Promotion & Marketing	20,895	34,241
Rent	35,000	35,000
Staff Amenities	1,412	2,478
Sundry Expenses	1,427	1,695
Superannuation Contributions	39,192	39,627
Traveling & Accommodation Expenses	81,107	64,850
Wages	450,380	458,588
Web/internet Costs	16,893	47,598
Worker's Compensation Insurance	1,946	1,630
TOTAL EXPENDITURE	1,157,010	1,130,408
Profit from ordinary activities		
before income tax	11,091	16,407
Income tax expense	-	-
Profit from ordinary activities		
after income tax	11,091	16,407

INDEPENDENT AUDITOR'S REPORT ON THE 2012 FINANCIAL REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSLAND WRITERS CENTRE ASSOCIATION INCORPORATED

I have audited the accompanying financial report, being a special purpose financial report of the Queensland Writers' Centre Association Incorporated, which comprises the Balance Sheet as at 31 December 2012, and the Income Statement, a Statement of Significant Accounting Policies, other explanatory notes and the Statement by Members of the Committee.

Committee's Responsibility for the Financial Report

The members of the committee of the association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the requirements of the Associations Incorporation Act 1981 (Qld) and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the members of the committee financial reporting under the Associations Incorporation Act 1981 (Qld). I disclaim any assumption of responsibility for any reliance on this report or on the financial report which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Independence

In conducting my audit, I have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

As is common for organisations of this type, it is not practicable for Queensland Writers' Centre Association Incorporated to maintain an effective system of internal control over income until its initial entry in the accounting records. Accordingly, my audit in relation to income was limited to amounts recorded.

Qualified Auditor's Opinion

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had I been able to satisfy myself as to the income, the financial report presents fairly, in all material respects, the financial position of Queensland Writers' Centre Association Incorporated as of 31 December 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Ian W. Young

Chartered Accountant

Dated this 8th day of February 2013

