



2019-20  
**Annual  
Report**

MELBOURNE  OLYMPIC PARKS

We acknowledge the Traditional Owners of Country throughout Victoria, and their ongoing connection to this land and rich culture. We pay our respects to their Elders past, present and future.

#### **About this report**

The *Melbourne & Olympic Parks Trust Annual Report 2019–20* provides information about the Trust's governance, objectives, functions, performance and achievements. It highlights the organisation's work throughout the year and includes information about financial operations, infrastructure and planning, management, operations, sector leadership, stakeholder engagement and workforce. The Trust is providing this annual report for the financial year ended 30 June 2020, in line with its statutory obligations under the *Financial Management Act 1994*.

It complies with financial reporting directions and meets the requirements outlined in the Model Report of Operations. This annual report was tabled in the Victorian Parliament before it was released.

#### **Front cover image**

The front cover shows the Melbourne & Olympic Parks precinct and Melbourne city skyline. It was captured from above Gosch's Paddock. The image shows AAMI Park in the foreground, with Olympic Park on the left and Melbourne Park on the right.

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# Chair's foreword

For more than 100 years, the Melbourne & Olympic Parks precinct has been at the heart of Victoria's sporting and entertainment culture. A place where shared experiences and a lifetime of memories are created.



I am pleased to present the annual report of Melbourne & Olympic Parks (M&OP) operations and the audited financial statements for the Melbourne & Olympic Parks Trust (the Trust) for the year ending 30 June 2020, in accordance with the *Financial Management Act 1994*.

The role of M&OP on behalf of the Victorian Government is to balance the diverse needs of the precinct and leverage its assets for the benefit of all Victorians. That means creating the best possible experience for every person, every event, every time.

In March 2020, a State of Emergency was declared for Victoria due to the coronavirus (COVID-19) pandemic. As a result, several regulations were put in place that impacted the way M&OP operates. These regulations included restrictions on public and social gatherings, sport and exercise, entertainment and cultural activities.

Immediate strategies to manage M&OP's business operations and reduce expenditure were implemented in response to the pandemic. Working closely with our key partners, including Sport and Recreation Victoria, Tennis Australia and the precinct's professional sporting tenant clubs and hirers has been integral to the precinct's success and will be crucial as we emerge from the pandemic.

This year we've continued to build our partnerships, and prioritised support to tenants, clubs, and partners, as we prepare to reopen the precinct and plan for events and guests to return. Together, we have a vital role to play to reconnect the people of Victoria and reinvigorate our city through sport and entertainment.

Throughout the year we supported our partners on many fronts including Tennis Australia's fundraising events for bushfire relief, helping our sporting clubs through this difficult time by providing 12-months rent relief, supporting our event partners with refunds and ticketing fees and providing our casual staff financial assistance.

## DELIVERING FOR ALL VICTORIANS

M&OP experienced strong patronage and revenue across the precinct in the first nine months of the year, contributing to the Victorian visitor economy.

Welcoming 202 events and attracting 2 million visitors during this period, the precinct demonstrated why it remains integral to Melbourne's major events and tourism, sport and entertainment industries.

The biggest event on Victoria's events calendar, the Australian Open, attracted a record-breaking 812,174 patrons over the two-week tournament.

In addition to the big sporting events Australians all love, the precinct delivered a diverse array of music and entertainment, showcasing the world's biggest superstars and sold-out concert tours.

AAMI Park celebrated its 10th anniversary this year, with fans helping to drive the birthday festivities, taking to social media channels to share their favourite moments of the past decade. AAMI Park's home clubs, Melbourne Storm, Melbourne Rebels, Melbourne City and Melbourne Victory, supported the celebrations and actively encouraged fan participation, helping the online campaign achieve over 2.7 million impressions and 86,000 engagements.

To encourage local sport development, as well as community engagement, the Trust worked with various community groups and charities to support important causes. These included the Upstream Foundation Fun Run, the Cancer Council's 'Walking Stars', and Football Victoria's 'This Girl Can' Gala Day with VicHealth.

## STRONG FINANCIAL STEWARDSHIP

By the third quarter, M&OP was on track to meet its financial forecast for year. As a result of the State of Emergency declared for Victoria due to the coronavirus (COVID-19) pandemic, border closures and restrictions led to the cancellation of all revenue-generating events and functions.

M&OP's successful first nine months of operations and strong cash reserves as a result of long-term financial management saw it well positioned to adapt its operations and respond to the global pandemic. This included introducing a series of austerity measures and switching priorities and resources to sustain business operations and be in a strong position to welcome events and guests back to the precinct, when it is safe to do so.

Total income for the year was \$99.0 million, which is down \$23.6 million from the previous year. This decline was largely due to cancellations reducing the number of events to 202, compared with 283 the previous year.

Total operating expenditure of \$109.9 million was \$7.6 million lower than last year. This included a \$39.1 million depreciation charge. The increase in depreciation was due to the additional assets built in Stage 2 of the Melbourne Park Redevelopment.

## INVESTING IN THE PRECINCT'S FUTURE

Continuing to invest in the precinct so it can evolve and grow for future generations remains a key priority. The Victorian Government's \$972 million commitment to the Melbourne Park Redevelopment (which includes an \$80 million contribution from the Trust), plus the Trust's \$49 million additional contribution, represents a major investment by Victorian taxpayers.

Important milestones were met this year, with infrastructure improvements elevating the experience for visitors and hirers. Completion of the major upgrade of Rod Laver Arena in August 2019 marked the end of Stage 2 of the ongoing Melbourne Park Redevelopment.

Stage 3 is well underway. It includes a new events centre and conference space; CENTREPIECE at Melbourne Park, which will provide flexibility to host both large-scale and intimate events; a new multi-purpose show court arena; new tennis courts; and a central logistics hub, including a kitchen and loading dock.

In partnership with the Victorian Government, the Trust has focused on establishing Victoria as the basketball capital of Australia. Melbourne Arena is home to two National Basketball League (NBL) sides, Melbourne United, and South East Melbourne Phoenix, who we welcomed this year, reinforcing Melbourne Arena's reputation as the premier basketball venue in Victoria. The Victorian Government has committed \$13 million to the venue and the first stage of upgrades included internal and external visual improvements and lighting, elevating the patron experience and tenants' commercial opportunities.

## A UNITED TEAM

I would like to thank the Premier of Victoria, The Honourable Daniel Andrews, and the Minister for Tourism, Sport and Major Events, The Honourable Martin Pakula for their continued support. M&OP has enjoyed ongoing support from successive Victorian Governments and for our many users and stakeholders this ensures we have and will remain the pre-eminent sports and entertainment precinct in Australia.

I would also like to acknowledge the support and efforts of our partners, sporting clubs, tenants, users and promoters. Achieving successful results in such a challenging year has only been possible because of the strength of the team. I thank everyone who has made our guests feel welcome and those who drove attendance and made sure more people from our state, from across Australia and from around the world came to enjoy the unique experience we have to offer at our much-loved and world-class precinct.

In conclusion, I would like to say a big thank you for the hard work of the Melbourne & Olympic Parks team, as well as my fellow Trustees who act in an honorary capacity, for their contribution and support in managing the precinct on behalf of all Victorians.



Russell Caplan  
Chair  
Melbourne & Olympic Parks Trust

# 2020 highlights



INTERNATIONALLY RENOWNED ACTS PUT AUSTRALIA ON THE WORLD STAGE  
WITH SHOWS BY:

**QUEEN+ADAM LAMBERT**

**HUGH JACKMAN**

**MICHAEL BUBLÉ**

**ELTON JOHN**

**FLEETWOOD MAC**

**SHAWN MENDES**



AAMI PARK CELEBRATED ITS

**10TH ANNIVERSARY**



MELBOURNE ARENA TO BE RENAMED

**JOHN CAIN ARENA**

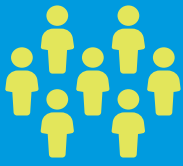
IN HONOUR OF FORMER VICTORIAN PREMIER JOHN CAIN



INAUGURAL

**THROWDOWN**

CLASH BETWEEN SOUTH EAST MELBOURNE  
PHOENIX AND MELBOURNE UNITED



SINCE 2010, MORE THAN

**24.7  
MILLION**

PEOPLE HAVE ATTENDED  
TICKETED EVENTS AT  
MELBOURNE & OLYMPIC PARKS



**812,174**

AUSTRALIAN OPEN  
ATTENDANCE



**810**

PUBLICLY ACCESSIBLE  
COMMUNITY ACTIVITIES  
WERE HELD AT OLYMPIC PARK



**737,443**

TOTAL ATTENDANCE  
AT ENTERTAINMENT  
AND FAMILY SHOWS

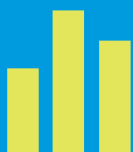


**202  
EVENTS**



**481,759**

TOTAL ATTENDANCE  
AT SPORTING EVENTS



**12,884**

GUEST SURVEYS



**2,031,376**

TOTAL ATTENDANCE



**STAGE 2**

OF THE MELBOURNE  
PARK REDEVELOPMENT  
WAS COMPLETED AND  
ACHIEVED LEED GOLD  
STATUS IN ENERGY &  
ENVIRONMENTAL DESIGN



**2,219,664**

TOTAL FOOD AND BEVERAGE  
TRANSACTIONS

# Melbourne & Olympic Parks

## PURPOSE, VISION AND VALUES

The Melbourne & Olympic Parks Trust (the Trust) was established under the *Melbourne and Olympic Parks Act 1985*. It operates to manage and provide world-class facilities and ancillary services for sport, entertainment and events for the people of Victoria.

The Trust is accountable to the Victorian Government and manages the land and facilities of the Melbourne & Olympic Parks (M&OP) precinct. The precinct plays a fundamental role in sport, entertainment and building a culturally rich and vibrant state.



## PURPOSE

Administer, manage and promote the use of Melbourne & Olympic Parks for the purposes of sport, entertainment and recreation

As a public sector agency, the Trust is the custodian of the M&OP precinct. Its purpose is governed by the *Melbourne and Olympic Parks Act 1985*.

## VISION

To create a thriving precinct committed to excellence for every person, every event, every time

## CORE VALUE

Put the customer at the heart of everything we do

The core value is supported by values that are incorporated into the day-to-day work of the organisation and its people, which are:

Collaboration  
Integrity  
Open-mindedness  
Passion

As a Victorian public sector agency abiding by the *Public Administration Act 2004*, the Trust's values and behaviours are aligned with those of the Victorian public sector.

# Year in review

The Trust achieved a successful first nine months of the year, building on its sound financial management and existing cash reserves. It responded quickly to the coronavirus (COVID-19) pandemic, shifting focus to support tenants, clubs, staff and partners in efforts to prepare for recovery and the return of guests.

## IMPACTS OF CORONAVIRUS (COVID-19) ON M&OP BUSINESS OPERATIONS

Total income from operations was \$99.0 million, down \$23.6 million on the prior year (2019: \$122.6 million). This decline was largely due to the impact of the coronavirus (COVID-19) pandemic, which reduced the number of events to 202 from 283 the previous year.

A key priority and response to the coronavirus (COVID-19) pandemic, M&OP focussed on strengthening partnerships, prioritising support to tenants, clubs, and partners and helping them prepare for the precinct to reopen and for events and guests to return.

During the first phase of restrictions in Melbourne, M&OP supported the continuation of play without spectators. Significant effort was undertaken with our clubs and partners in preparing and implementing COVID Safe plans for three games that were held at AAMI Park. The W-League Grand Final took place on the 21 March 2020, where Melbourne City FC won 1-0 over Sydney FC and two NRL games, Melbourne Storm vs Canberra Raiders and Melbourne Storm vs South Sydney Rabbitohs were also both played at the stadium.

M&OP provided 12-months rent relief to the precinct's tenants, supported event partners with refunds and ticketing fees, as well as offering financial assistance to the casual workforce.

Supporting partners and stakeholders who are vital in bringing events back to the precinct remains a priority, as together we have an important role to play in reconnecting the people of Victoria and reinvigorating the city through sport and entertainment.

## BUSINESS PLANNING

An annual Business Plan is prepared for approval in accordance with the requirements of the *Melbourne and Olympic Parks Act 1985* and the *Ministerial Statement of Expectations*, ensuring that the Trust continues to deliver on its purpose. This strategic plan articulates the key focus areas, sets goals and determines measures of performance against four goal areas.

## GOAL AREA 1:

## Manage the precinct to benefit the people of Victoria

The M&OP precinct has always been a place for all Victorians to gather and enjoy.

Located across 40 hectares, the area is ideally located in the heart of the city of Melbourne and is bound by beautiful open public spaces, parklands and community facilities.

The Trust's success is underpinned by its performance as custodian and manager of this much-loved public asset. This includes gaining a financial return, as well as balancing the multiple priorities and competing demands to look after the interests of all sports, events and users of the precinct.

To March 2020, M&OP continued its long tradition of successfully delivering major events and attracting international attendance. The Australian Open was again a strong performer, while all venues hosted a steady stream of high-performing and well-attended events.

Despite this, due to the coronavirus (COVID-19) pandemic, results for the year ending 30 June 2020 were \$11.0 million less than the previous year after depreciation. The Trust reported income of \$99.0 million, down \$23.6 million (19.2 per cent) from last year.

Supporting professional and state-level sporting teams is a key priority for M&OP. This year, venues were hired out for a total of 371 days including 213 days for national and international sport competitions.

Support and preferential access was provided to sports and community organisations during the year to ensure Victorians could participate in sport and recreation.

A total of 810 publicly accessible community activities were held at Olympic Park, showing considerable growth against comparable months in the previous year, before the coronavirus (COVID-19) pandemic.



## GOAL AREA 2:

## Improving customer value

Putting customers at the heart of everything it does is a core value of the organisation.

For the first three quarters of the year, 2,031,376 guests visited the precinct, in line with forecast attendance. Subsequent to this and due to the coronavirus (COVID-19) pandemic, there were no guests on the precinct resulting from event cancellations.

## CUSTOMER RESEARCH AND INSIGHTS

The Trust regularly evaluates client and guest feedback to gauge satisfaction and to drive strategy and operational improvements.

Research includes online customer satisfaction surveys, the voice-of-customer program, mystery guest reviews, workforce surveys and feedback surveys with clients who hire venues.

Guest satisfaction targets are measured with a Net Promoter Score, developed by Bain & Company, to measure customer satisfaction and loyalty. M&OP's score improved for the third consecutive year, scoring 56. This was an increase from 54 in 2019 and 51 in 2018.

+2

**POINT GROWTH  
IN CUSTOMER  
SATISFACTION SCORES  
(NET PROMOTER  
SCORE) FROM  
PREVIOUS YEAR**

## STRATEGIC FOCUS AND CUSTOMER CAPABILITY

The insights gained through customer research shaped M&OP's strategic focus, capital projects and operational improvements throughout the year.

These included:

- strengthening client relationships to help the precinct's professional sporting clubs to create memorable season launches
- developing a client portal with information about the precinct and venues.

M&OP improved guest experiences by:

- improving catering at Rod Laver Arena Eastern Annex and concourse
- customising menus, opening pop-up bars and activating the external concourse and parklands for the Queen + Adam Lambert and Elton John AAMI Park concerts
- improving and expanding merchandise offerings
- installing a large digital sign at the entrance of Melbourne Arena
- investing in event-related activations such as photo booths, roving performers, and customised and themed merchandise
- launching social media campaigns to engage more with audiences, promote events, provide targeted event information and share event memories
- rolling out a digital guest experience strategy to support an end-to-end guest journey.

To maintain a customer-centric focus, safety and customers were the leading agenda items at all meetings of the key leadership teams.

Significant investment was also made to develop team members' customer-related capabilities through supervision and training in the lead-up to the Australian Open. Event delivery models, management structures, and reward and recognition programs were also transformed to focus on the customer's experience and recognise exceptional customer service by staff.

## AUSTRALIAN OPEN AND MELBOURNE PARK REDEVELOPMENT

Stage 2 of the Melbourne Park Redevelopment was completed in August, improving food and beverage catering at Rod Laver Arena and pedestrian flow across the precinct and achieving LEED Gold status in energy and environmental design.

A total of 4,642 M&OP staff, contractors and employees of business partners helped to achieve the Australian Open customer experience goal, which was to engage, entertain and create iconic experiences for guests and millions of viewers worldwide.

## LOOKING FORWARD – WELCOMING CUSTOMERS BACK TO THE PRECINCT

The precinct has always been a place for all Victorians to gather and enjoy their passion, as well as a central pillar in Melbourne's visitor economy and cultural identity.

For this reason, helping our clients and partners manage the impacts of the coronavirus (COVID-19) pandemic was a major focus for the business. At the onset of the pandemic, M&OP supported clients to make scheduling changes and cancellations. Focus has since shifted to the recovery, reopening and welcoming Victorians, interstate visitors and international guests safely back to the precinct.



### GOAL AREA 3:

## Business processes

By focusing on delivering process and service excellence, M&OP has continued to improve business operations, with outcomes that take advantage of the precinct and support the dynamic event environment.

It has improved the way events are delivered, through new resourcing frameworks and functional leadership roles.

A new multi-tiered event workforce has been implemented, including new ways of working that improve agility, productivity and work-life balance.

Processes for procurement and contract renewal were improved, and a new year-round ticketing agreement was introduced.

M&OP is committed to maintaining an environment that is safe and secure for all who visit and work within the precinct, achieving 2020 safety targets and reducing injuries on the precinct. The team has continued to improve its Safety Management System through system integrations, safety training and reporting processes.



## GOAL AREA 4:

# Climate for high performance

By focusing heavily on its workforce, M&OP has created a climate to elevate staff and organisational performance. This is underpinned by four core organisational values of collaboration, integrity, open-mindedness, and passion.

Creating an environment where staff can learn and develop is important to achieve high performance and to deliver a thriving precinct for generations of Victorians now and into the future.

Each year, the passionate and dedicated M&OP team works tirelessly to help to deliver hundreds of sporting games, events and concerts. From the day-to-day contact of the guest experience team, to precinct maintenance, operations and administrative staff, the priority is to deliver exceptional service to guests.

M&OP has a strong commitment to excellence. It places great focus on developing career pathways and opportunities for talented staff, and fostering, recognising and drawing on their diverse skills and experience to operate in an ever-changing landscape.

To support this approach, M&OP created a Leadership Capability Framework to identify and shape staff to become leaders.

Significant work was also undertaken to expand the Learning Management System and deliver tailored, online professional development, education and skills to the entire workforce. This year, 13 team members were identified for their talent and promoted.

## WORKING FROM HOME

With social restrictions due to the coronavirus (COVID-19) pandemic which were first introduced in March 2020, most of the M&OP workforce transitioned to working from home. A small core team remained on site to support essential services and maintenance.

To support working from home, M&OP equipped staff with the right tools and resources to remain connected to the workplace and rolled out a series of strategic projects to address the shift in work priorities.

M&OP provided financial assistance to its casual workforce, in line with the Victorian public sector's Industrial Relations Framework. Additional support was made available through an Employee Assistance Program partnership with Assure Programs to help staff in need.

# Report of operations

Welcoming hundreds of events and millions of visitors each year, Melbourne & Olympic Parks is one of the world's greatest sporting, entertainment and community precincts.

## OVERALL PERFORMANCE

Total income from operations was \$99.0 million, down \$23.6 million on the prior year (2019: \$122.6 million). This decline was largely due to the impact of the coronavirus (COVID-19) pandemic, which reduced the number of events to 202 from 283 the previous year.

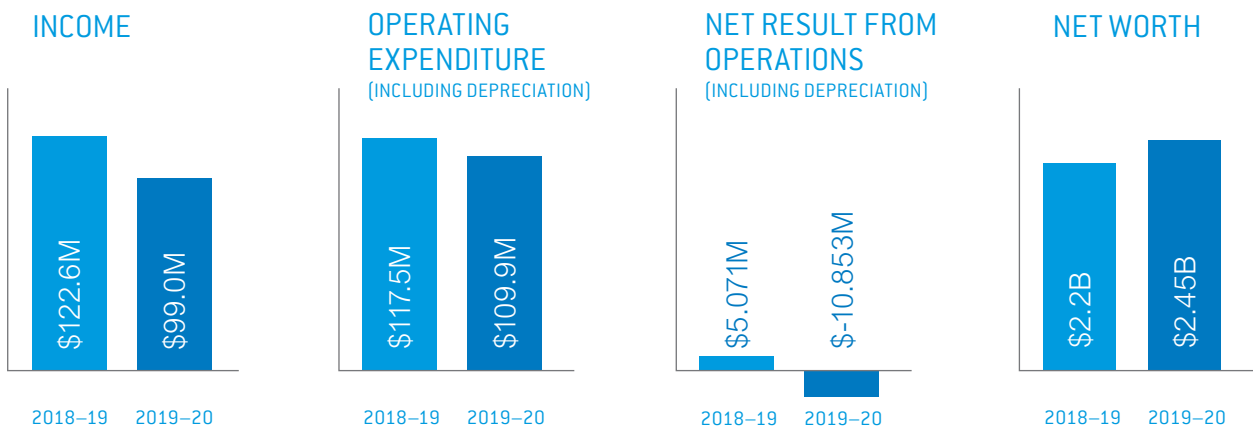
Total operating expenditure of \$109.9 million was \$7.6 million lower than last year (2019: \$117.5 million). This included a \$39.1 million depreciation charge (2019: \$36.1 million). The increase in depreciation was due to the additional assets constructed through the completion of Stage 2 of the Melbourne Park Redevelopment.

M&OP also continued to support the Victorian Government's sport and recreation programs with the Sports Development Transfer.

As required each year, M&OP performed a land valuation assessment in accordance with land indices issued by the Valuer-General Victoria (VGV). This resulted in a \$121.9 million increment in the value of land held by the Trust.


This increase in land value forms part of the overall net result for the year, which was a profit of \$107.8 million (2019: \$0.27 million).


The Trust's net worth increased by \$234 million to \$2.45 billion during the year. This was mainly as a result of the substantial increase in land value and Victorian Government contributions to the Melbourne Park Redevelopment.



# Rod Laver Arena

ICONIC, MULTI-PURPOSE VENUE THAT SETS THE STAGE FOR SUPERSTARS

 The iconic, multi-purpose venue is home to Grand Slam Centre Court and blockbuster concerts.

 It holds 16,600 guests in the round, 13,500 in end stage concert mode and 7,000 in reduced concert mode.

 A new rigging grid has doubled its weight capacity and the retractable roof upgrade has halved the opening and closing time to just 4.5 minutes.

It was a milestone year for Rod Laver Arena with record figures in the early quarters, as well as completing its facelift and major internal upgrades.

The arena was on track to exceed the previous year’s attendance figures and events, with 474,748 patrons attending 53 entertainment events between July 2019 and February 2020. This included 40 international and 13 national events. From the 20 tours, there were nine with multiple shows, many of which were sold out. The final quarter numbers were affected by the onset of the coronavirus (COVID-19) pandemic with social restrictions curtailing planned activities at the venue.

Highlight events of the year included the return of Hugh Jackman for his 20th show, and Elton John’s four sell-out shows in December, which were part of his Farewell Yellow Brick Road Tour.

Patrons enjoyed better access and more comfort as a result of the completed Melbourne Park Redevelopment Stage 2. Venue upgrades included two removable seating sections to increase floor capacity for general admission, improved bar and bathroom facilities, and disability access into the bowl.

New internal and external coloured lighting was installed, which will be used to support and raise awareness for community causes, and set themes for events and activations.

During the year, Rod Laver Arena also hosted non-ticketed events, including Open House Melbourne, Australian Open First Serve and a number of private events.

## EVENTS DURING THE YEAR:

Alice Cooper	Got7	Melbourne Esports (2 sessions)	The Grand Final Footy Show
Childish Gambino	Hans Zimmer	Michael Bubl�e (3 shows)	The Wiggles (5 shows)
Disney on Ice (12 shows)	Hilltop Hoods (2 shows)	Scorpions & Whitesnake	Tim McGraw
Elton John (4 shows)	Hugh Jackman (6 shows)	Shawn Mendes (3 shows)	WWE
Fleetwood Mac (4 shows)	Jimmy Barnes	Tool (2 shows)	
	Khalid		



# Melbourne Arena

AUSTRALIA'S MOST FLEXIBLE VENUE AND HOME OF INDOOR SPORT AND FAMILY ENTERTAINMENT



Uniquely transformable into a 250-metre velodrome, this flexible venue hosts back-to-back netball, basketball, cycling, boxing, ice hockey, gymnastics, dancesports and entertainment events.



It holds 11,000 patrons for concerts and 10,500 for sporting events.



Angled seating makes patrons in the upper level feel like they're right in the action.

Melbourne's most flexible venue remained its busiest over the year, with 55 shows across 51 events and 239,483 patrons treading its floors. These numbers were down from the previous year, with 137,520 fewer visitors due to the coronavirus (COVID-19) pandemic.

Its versatility was on display with a great line-up of indoor sporting events, from the International Gymnastics Federation World Cup and Austral Wheel Race to the unique open-air NBL Boxing Day event.

Once again, it played a key role as the 'People's Court' during the Australian Open, with high-quality matches throughout the first eight days of the tournament. It was then converted to host Australian Open NBL games, and the Australian Open Finals Dining function, with a third night of dining added this year.

It continued to play host to strong home game seasons for its tenant basketball and netball clubs, and welcomed South East Melbourne Phoenix as the

arena's fourth tenant club and the NBL's ninth franchise. A major highlight of the calendar was the inaugural 'Throwdown' clash between the Phoenix and Melbourne United. The sold-out event unveiled the arena's LED screens, part of the first stage of upgrades to the 10,300-seat arena.

The Victorian government has committed \$13 million to the venue with the aim of making Victoria the basketball capital of Australia. This first stage of upgrades included internal and external visual improvements and lighting, elevating the patron experience and tenants' commercial opportunities.

There's a new name to go with the makeover, with the Honourable Daniel Andrews, the Victorian Premier, announcing in February the venue would be renamed in honour of former Victorian premier John Cain. Mr Cain is credited with being the driving force behind creating the Melbourne Park precinct and keeping the Australian Open in Victoria.

## EVENTS DURING THE YEAR:

AFL Grand Final Village	Distant Worlds	Melbourne United (13 home games)	Steve Martin and Martin Short
The Amity Affliction	Dreamstate	Melbourne United (1 semi-final)	Sticky Fingers
Austral Wheel Race (2 shows)	JB Hi-Fi Game On Zone (2 shows)	Melbourne Vixens (2 home games)	Variety Bikes 4 Kids
Chemical Brothers	JB Hi-Fi National Connected Roadshow 2019 (2 shows)	Professional Bull Riders	Victorian State Schools Spectacular
International Gymnastics Federation World Cup (4 event days)	Melbourne Esports Open (2 shows)	South East Melbourne Phoenix (12 games)	World Series of Darts (2 shows)
Collingwood Magpies (2 home games)			



# Margaret Court Arena

A VERSATILE, INTIMATE AND INCLUSIVE VENUE



Renowned for its acoustic excellence by artists and fans alike, the versatility of this venue allows it to transform into an incredible array of seven event configurations to host concerts, talks, corporate events, galas and indoor sports.



It comfortably holds between 2,000 and 7,500 guests in different event formats.



It is the first sports and entertainment arena in Australia to receive LEED Gold environmental/ sustainability certification.

Margaret Court Arena continued to impress this year, hosting a range of artists and activities and creating memorable experiences for guests.

With the ability to offer up to seven event configurations from concerts and talks to corporate events and indoor sports, the focus this year was to attract emerging entertainment and business events, and to roll out key infrastructure improvements.

Highlights included hosting four sold-out concerts for Foals, LANY, SZA, and Catfish and The Bottlemen within a week in July 2019, some of which were a part of the Splendour in the Grass music festival.

As part of an ongoing commitment to inclusion and diversity, an all-gender toilet facility was introduced for

the first time at the Troye Sivan concert in September. This was in response to feedback from hirers, patrons and staff for a safe and comfortable space for all visitors, regardless of gender identity and expression.

Reduced mode curtains were also installed at the venue. This allowed more flexibility to create spaces of different sizes, including smaller and lower cost options, as well as improving the atmosphere at events.

As with many venues in the precinct, numbers were down by the end of the year due to the coronavirus (COVID-19) restrictions. The arena attracted 101,000 patrons compared to 151,000 the previous year, and held 33 shows (25 events), down from 47.

## EVENTS DURING THE YEAR:

2020 United Israel Appeal Centenary Gala Event	ATEEZ	LANY	SZA
74th Australian DanceSport Championship (3 event days)	Catfish and the Bottlemen	Liam Gallagher	The 1975
AFL Draft Combine (3 event days)	Chemist Warehouse Christmas Party	MaRLo	Troye Sivan
A-ha	Code War (boxing)	MECCA's end-of-year dinner	Tyga
Al Bano & Romina Power	Foals	Melbourne Esports Open (2 event days)	Why Don't We
	Hillsong's Christmas Spectacular (4 shows/2 event days)	Pentatonix	Yoga Lin
		Rob Thomas	Youth Alive



## AAMI Park

### HOME OF RECTANGULAR SPORTS



The unique venue provides administrative and training facilities for multiple tenants across four sporting codes.



Melbourne's only rectangular stadium holds 30,050 for sporting events and set a record concert attendance with 34,296 fans at one of Ed Sheeran's 2015 shows.



Features an elite sports training centre, gymnasium and lap pool.

AAMI park is the home ground for rugby league's Melbourne Storm, rugby union's Melbourne Rebels as well as football teams Melbourne Victory and Melbourne City. The stadium is also the training home to Melbourne Demons, with the Collingwood Magpies training and administration located at Olympic Park.

A number of AAMI Park's home teams enjoyed success throughout the year and the stadium was proud to host the W League Grand Final, FFV NPL Grand Final, an FFA Cup quarter final as well as NRL qualifying and semi finals. The stadium also played an integral role in the successful FIFA Women's World Cup 2023 bid.

This year saw the stadium host iconic concerts by

international heavyweights including Queen + Adam Lambert and Elton John. The versatility of the venue was further highlighted as it welcomed back Monster Jam for its only Australian show.

The 10th anniversary of AAMI Park was celebrated this year, with fans helping to drive the birthday festivities and taking to social media channels to share their favourite moments from the past decade.

The venue attracted over 400,000 patrons to 39 events during the year which was down from previous years. This was due to fewer international sporting matches, lower sporting attendances and the effect of the coronavirus (COVID-19) pandemic on all codes.

### EVENTS DURING THE YEAR:

AFC Champions League group stage (1 match)

AFC Champions League preliminary stage (1 match)

AFLX's EJ Whitten match

FFA Cup Round of 32 – Melbourne Victory FC versus Newcastle Jets

FFA Cup quarter final – Melbourne City FC versus Western Sydney Wanderers

FFV NPL Victoria grand final day

Melbourne City FC (11 home matches)

Melbourne Rebels (2 home matches)

Melbourne Storm (7 home matches)

Melbourne Victory FC (5 home matches)

Monster Jam 2019 (2 shows)

NRL qualifying final – Melbourne Storm versus Canberra Raiders

NRL semi final – Melbourne Storm versus Parramatta Eels

Queen + Adam Lambert (2 shows)

Elton John (1 show)

W-League grand final – Melbourne City FC versus Sydney FC



## CENTREPIECE

### PREMIER EVENTS AND CONFERENCE SPACE

The highly anticipated new events centre and conference space will replace the Melbourne Park Function Centre.

It will provide opportunities for unique events, complementing and broadening the suite of M&OP venues and precinct spaces on offer. This will add

value to the Victorian visitor economy and support the state's vision of being a global leader in major events. Designed for dual functionality – the ability to operate year-round and as a broadcast facility during the Australian Open – the venue will play an integral role in the future of the precinct.

The three-level CENTREPIECE at Melbourne Park will offer a range of facilities including:

#### LEVEL 1:

- Dedicated year-round carpark and broadcast compound for the Australian Open
- Public cafe and function spaces
- Central production kitchen
- Central logistics hub, including a waste and cleaners' compound
- Back-of-house connections to Rod Laver Arena, Margaret Court Arena and Tennis HQ.

#### LEVEL 2:

- 2,000 square-metre pillarless ballroom with flexible configurations
- 800 square-metre pre-function concourse
- Outdoor terrace with uninterrupted views of the Melbourne city skyline
- Dedicated client facilities, including green rooms
- Finishing kitchen
- Back-of-house connections to Tennis HQ and the Rod Laver Arena.

#### LEVEL 3:

- Meeting rooms with broadcast functionality for the Australian Open
- Auditorium designed to host global media for the Australian Open
- Outdoor terraces
- Back-of-house connections to Tennis HQ.

A comprehensive sales, marketing and communications plan has been developed to promote CENTREPIECE at Melbourne Park and attract confirmed bookings for events, maximising the venue's commercial return and usage on opening.

# Melbourne Park Redevelopment and other capital improvements

Over the past 100 years, Melbourne Park has put Melbourne firmly on the map as the world's sporting and entertainment capital. To ensure it continues to evolve and deliver world-class facilities to attract acclaimed performers, entertainers and international sporting events, the \$972 million Melbourne Park Redevelopment continued to be rolled out.

Set for completion in 2023, the revamp will transform the precinct into a \$2.4 billion asset for all Victorians.

This year, there was significant work completed on the new multi-purpose Show Court Arena and CENTREPIECE at Melbourne Park. The two venues will be delivered as part of the third and final stage of the redevelopment, with work set to finish in time for the 2022 Australian Open.

Construction costs for the redevelopment over the year were \$134 million.

In addition to ongoing work on Stage 3, a significant achievement for the project was reached with completion of Stage 2, ahead of time and in budget. Key elements of the work included refurbishing Rod Laver Arena, the administration and media building, known as Tennis HQ (2015), and the Tanderrum Bridge (2016).

The Trust also directly invested more than \$17 million in other capital works to improve and upgrade facilities and infrastructure. This work will benefit M&OP's partners and tenants and help to attract more local, state, interstate and overseas visitors to the precinct.

This investment included:

## MELBOURNE ARENA \$4.7 MILLION

This included upgrading the retractable seating, retractable roof and basketball infrastructure.

## ROD LAVER ARENA \$2.1 MILLION

Work included upgrading the point-of-sale infrastructure, air-conditioning and commencing design work to improve corporate and superbox hospitality.

## OLYMPIC PARK PRECINCT \$2.4 MILLION

The staff muster room, Olympic Park rooms and Gosch's Paddock were upgraded, as well as design works undertaken on AAMI Park LED sports lights and scoreboards and the Melbourne Storm Billy Slater and Cameron Smith statues.

## MELBOURNE PARK PRECINCT \$8.3 MILLION

This included upgrading the western outdoor tennis courts' power and data infrastructure, hostile vehicle mitigation and security infrastructure.



# Sports development and community engagement

A vital role of the Trust is maintaining safe and accessible recreational spaces to be enjoyed by all Victorians, as well as interstate and overseas visitors.

From the professional athlete to the casual jogger or dog walker, sites like Gosch's Paddock and Olympic Park Oval are important features of Melbourne's public recreational space and parkland areas. They are used heavily throughout the year by Victorians keen to get fit and stay active. The Trust continues to invest heavily in maintaining and improving these areas, as well as elite-level training facilities and surfaces for tenant clubs and the community.

As part of its commitment to support sporting and community organisations, M&OP grants prioritised and affordable access to venues, in addition to helping to facilitate activities and stage fundraising events for meaningful causes.

Throughout the year, more than 810 planned club and community activities or events took place within the Olympic Park precinct.

It was also an important training space for AAMI Park's professional sporting tenant clubs: Melbourne Football Club, Melbourne Victory, Melbourne Rebels, Melbourne Storm and Collingwood Football Club.

The precinct's open spaces have been ideal locations to hold activities and events, such as boot-camps, family days, not to mention charity fun-runs, including The Upstream Foundation Fun Run and the Cancer Council's 'Walking Stars'.

Throughout the year, 21 different charities and community groups were supported by activating Rod Laver Arena and AAMI Park's unique roof lighting and Olympic Boulevard signage.

The Trust also made a \$3.0 million Sports Development Transfer towards the Victorian Government's sport and recreation programs.

## KEY COMMUNITY EVENTS:

- Variety (Bikes4Kids)
- Open House Melbourne
- National Association of Women in Construction event
- NRL's In League In Harmony Gala Day
- The Upstream Foundation – Upstream Challenge
- Cancer Council Victoria – Walking Stars.

## SUPPORTING THE COMMUNITY AND OUR PARTNERS

### International Federation of Gymnastics World Cup 2020

As part of the Gymnastics World Cup hosted in Melbourne Arena in February, M&OP donated \$100 for each successful gymnast landing 'stuck'. A total of \$8,000 was raised and donated to bushfire relief.

## SUPPORTING OUR CLUBS AND PARTNERS

Working in collaboration with our tenant clubs, M&OP provided rent relief (exemption of rent payment) for the period of January – December 2020. In this financial year, \$3 million dollars in revenue was forgone to support our tenant clubs and organisations.



## Australian Open

The Australian Open continued to break records this year, cementing its position as a highlight on the Victorian, Australian and international sporting calendars. Each year, Tennis Australia has expanded its offering to guests, creating unique event and visitor experiences, including through food and beverages, maintaining the Australian Open as a world-class Grand Slam event.

This year, Tennis Australia commissioned an independent report that indicated the tournament delivered record economic benefits to Victoria, injecting \$387.7 million into the economy, up from \$347.2 million in 2019. It is a significant achievement and testament to the collaboration between Tennis Australia and M&OP, and a huge boost for Victoria's hospitality, events and tourism sectors.

The event generated 1,775 jobs for the state, with 529 in the accommodation, hotels and café sector, and another 247 in trade services.

The Australian Open continues to grow in size and scale. This year, more activities were held in the lead-up and during the tournament. Additionally, the event precinct extended from Richmond Station to Flinders Street Station and included Federation Square.

Despite Melbourne suffering extreme weather conditions, including excessive heat, dust and rain storms, and days of bushfire smoke blanketing the city, the event and customer experience were unaffected, due to the tireless joint efforts of M&OP and Tennis Australia.

Viewership was at an all-time high, breaking global viewing records with 99,556 broadcast coverage hours – up 12 per cent from 2019 – and viewers watching 813.8 million broadcast hours.

The tournament was aired live in more than 215 territories, reaching over 900 million homes daily. Overall, viewership increased an incredible 18 per cent year on year, the fastest growth rate of any major sport in Australia in 12 months.

### AUSTRALIAN OPEN 2020 – AT A GLANCE:

- A record crowd of 812,174 fans shared the excitement, an increase on the previous attendance record of 796,435 in 2019.
- For the fourth time in its history, attendance in the first week surpassed 500,000 fans, with 550,645 attendees breaking the previous record of 537,226 in 2019.
- A total of 13.2 million Australians viewed the tournament.
- The men's final between Novak Djokovic and Dominic Thiem attracted the largest national audience for a live-streamed match, with 13.7 million live minutes, up 145 per cent from 2019. The final also achieved a national peak audience of 2.688 million and an average audience of 2.043 million.
- The women's final between Sofia Kenin and Garbine Muguruza had an average national audience of 1.193 million and peaked at 1.639 million.

RECORD CROWD OF

**812,174**



## Tennis Australia

Tennis Australia continues to deliver benefits for the Victorian community through the ongoing success of the Australian Open Grand Slam each January and the increasing participation and engagement in the sport.

Tennis is a game for everybody, and nothing brings people together quite like this two-week festival.

The Grand Slam tournament has a long history of offering men and women equal prize money and puts female athletes on the global stage in prime time.

The game also continues to lead the way in diversity and inclusion. This year the Australian Open welcomed 200 players from 35 countries to compete in the Glam Slam - an international LGBTQI tournament. On the final weekend of the Australian Open, Show Court Three was transformed for the Glam Slam, complete with the iconic Melbourne sign painted in rainbow colours.

Throughout this year's Australian Open, Tennis Australia worked with Get Skilled Access to audit the event's accessibility and inclusiveness for people with disabilities. Tennis Australia has since been working closely with M&OP to implement the key findings for an improved Australian Open 2021.

Towards the end of 2019, Tennis Australia and Special Olympics hosted the Movement Foundation Disorder Cup. This is an important initiative where 15 schools from across greater Melbourne take part in a range of activities and modified tennis tournament. Police

officers from Victoria and South Australia help out on the day and for all participants the highlight is getting to play on the iconic Melbourne Park courts.

To celebrate NAIDOC Week, Tennis Australia was privileged to host a yarning circle in Garden Square at Melbourne Park. Aboriginal and Torres Strait Islander peoples have used yarning circles as meeting spaces for thousands of years.

Throughout the week, staff joined Tennis Australia's National Indigenous Coach, Ian Goolagong, at the yarning circle (a gift from Anglicare Victoria) to experience a smoking ceremony and learn about Aboriginal culture through conversations around an open fire.

Tennis Australia partners with Anglicare Victoria to support Aboriginal and Torres Strait Islander young people through the Buldau Yioohgen Leadership Academy.

As part of the Australian Open, Tennis Australia organised a number of events to support fundraising efforts to raise money, to support bushfire recovery. M&OP was proud to support this worthwhile cause.

In support of Tennis Australia's charity events Rally for Relief and Music for Relief, M&OP contributed more than \$100,000 in value and services to support these events. All proceeds of these events were donated to support bushfire relief.

# Our partners

As part of its role to support a range of different sporting codes year round, M&OP provides crucial support to enable the success of tenant clubs, including helping them to run community events and engage supporters and the broader public.

The precinct is home to 10 national sporting teams:

- Melbourne Storm (NRL)
- Melbourne Rebels (Super Rugby)
- Melbourne City FC (A-League)
- Melbourne Football Club (AFL)
- South East Melbourne Phoenix (NBL)
- Melbourne Victory FC (A-League)
- Melbourne United (NBL)
- Melbourne Vixens (Super Netball)
- Collingwood Magpies (Super Netball)
- Collingwood Football Club (AFL)



## MELBOURNE STORM

Melbourne Storm had another record year, on and off the field. Continuing Storm's status as a powerhouse club in the NRL, it achieved its highest-ever membership numbers and all corporate suites at AAMI Park were sold out.

M&OP has helped Storm provide supporters with the outstanding match day experiences that have been vital to achieving this growth. The club delivered an outstanding sports presentation package to highlight captain Cameron Smith reaching a milestone of 400 matches, a feat no other player has achieved in the history of the NRL.

M&OP facilitated special guest experiences to celebrate the occasion, including 3D mapping projected onto the roof of the AAMI Park stadium, themed lighting, feature lighting displays, and allowing fans onto the pitch to meet Smith.

Storm delivered Victoria a minor premiership by topping the 2019 NRL ladder with a six-point lead. The team hosted two NRL finals at AAMI Park, but was knocked out in the preliminary final by Sydney Roosters, the eventual 2019 NRL premiership winner.



## MELBOURNE REBELS

Melbourne Rebels played six matches in the South Africa, New Zealand, Australia and Argentina Rugby (SANZAAR) Super Rugby competition before the coronavirus (COVID-19) pandemic led to the cancellation of the season.

Placed second in the Australian conference at the time, the Rebels had been looking forward to the prospect of a

maiden finals berth.

The Rebels hosted two home matches at AAMI Park, the first featuring a double header with both the women's and men's team up against NSW Waratahs. Both Rebels teams won their matches, setting up the stadium as a daunting fortress for opposition teams arriving in Melbourne.



## MELBOURNE CITY FC

Melbourne City FC was placed second on the ladder in the 2019–20 A-League season before it was postponed due to coronavirus (COVID-19). The team's consistency throughout the year secured them a place in the A League Grand Final.

The W-League team had an undefeated 2019–20 competition, with 11 wins and one draw. It won the championship for a

fourth time, playing the grand final behind closed doors at AAMI Park in March.

The club's City in the Community foundation continued to deliver football and community programs throughout the year, in partnership with a number of its key community initiatives.



## MELBOURNE FOOTBALL CLUB

Melbourne Football Club demonstrated its commitment to being progressive and inclusive through various initiatives, with tangible benefits for the Victorian community.

It is one of the elite sporting club tenants that bases its administration for MFC at the MCG and training in AAMI Park and Gosch's Paddock. The club achieved a record 52,421 members and its sixth season of year-on-year growth.

The Trust assisted by providing enhanced temporary locker room facilities during the 2020 season, further improving its training conditions at the stadium.

While it was a challenging year on-field, with the AFL and AFL Women's (AFLW) teams both missing out on the finals, the club conducted a comprehensive review to improve its position.



## SOUTH EAST MELBOURNE PHOENIX

South East Melbourne Phoenix achieved an outstanding inaugural season, attracting 55,540 (average of 4,628) fans to home games at Melbourne Arena. Two additional sold-out home games at the State Basketball Centre in Wantirna during the Australian Open helped the Phoenix record the biggest regular season attendance for a first-year team in NBL history.

The team won its first home game, against the Brisbane Bullets, at Melbourne Arena on 13 October 2019. The crowd of 6,019 was the highest recorded for an expansion franchise's

first home game.

The Melbourne Arena operations team provided invaluable guidance, helping the club successfully implement a range of corporate hospitality and fan engagement experiences.

The club is heavily focused on delivering impact and outreach programs for communities across the south eastern suburbs of Melbourne. It successfully hosted a Starlight Children's Foundation fundraiser game in December 2019.



## MELBOURNE VICTORY FC

Melbourne Victory FC continued to enhance the match day experience for fans, further investing in precinct activations and Victory Village, its match day fan zone.

However, results on the pitch didn't go the club's way and it will miss the finals for the first time since 2011–12.

The team is in a rebuilding phase, particularly after head

coach Kevin Muscat, who had been a part of the Victory setup since its inception, quit during the off-season. New coach, Grant Brebner, recently joined the club as it prepares for the 2020-21 A-League season.

Victory's W-League team successfully navigated the season, but missed out on a grand final place after being defeated in a close match in the preliminary final.



## MELBOURNE UNITED

Melbourne United's longstanding partnership with M&OP has allowed the club to build its corporate, membership and community involvement initiatives year after year. Over the previous 12 months, the club set a new record for its highest average home-game crowd. It also increased corporate attendance and average revenue per person in the general stands, and had six sellout crowds.

Working with M&OP, Melbourne United continued to provide the best basketball and entertainment experiences in

Australia. Respondents to the club's 2019–20 fan engagement survey gave an average satisfaction rating of 89 per cent. The rating for recommendation to family and friends was 94 per cent. The 2019–20 season was the highest scoring in the era of the 40-minute NBL match (since 2010) and one of the closest seasons ever. Cumulative live views increased 119 per cent across the league and media mentions increased by 230 per cent. With the increasing popularity of basketball, M&OP's support is vital to ensuring the club continues to succeed.



## MELBOURNE VIXENS

Boasting the most popular female sports team in Victoria and countrywide, Netball Victoria and Melbourne Vixens enrich people's lives through netball, working in partnership with M&OP on multiple levels.

The team broke its attendance records for home games at Melbourne Arena during the 2019 Suncorp Super Netball (SSN) season, showing that netball in Australia continues to lead the way in developing professional female sports leagues. Melbourne Vixens finished the 2019 season in third

place, losing the preliminary final to the eventual premiers, NSW Swifts.

The facilities at Melbourne Arena and Margaret Court Arena allow Melbourne Vixens to deliver development opportunities through community events such as coaching and umpiring workshops held throughout the year. Match day partnerships with charities such as Breast Cancer Network Australia, 4 ASD KIDS and FreezeMND have helped improve people's lives.



## COLLINGWOOD MAGPIES

Collingwood Magpies Netball Club is a proud partner of M&OP and receives considerable support through its facilities at the Holden Centre, Olympic Park Oval and the Glasshouse. The club's Magpies netball team also enjoys a world-class home ground and fans love the atmosphere at Melbourne Arena.

In 2019–20, Collingwood had more than 85,000 members and operated seven teams across AFL, VFL, AFLW, VFLW, SSN, Australian Netball League (ANL) and VFL Wheelchair. The club hosted programs to help people facing disadvantage, homelessness or social disconnection. It also worked to engage with Indigenous and multicultural communities and

to encourage people with disability to lead happier, more active lives.

The club aims to increase women's participation in sport and to provide equal opportunities. It proudly hosts SSN and ANL matches at Victoria's premier indoor netball stadium at Melbourne Arena.

A highlight of the year was the inaugural Queen's Birthday netball match at Melbourne Arena against the Melbourne Vixens. The match aligned with the 'Big Freeze' AFL match against Melbourne FC at the MCG in support of the club's community partner FightMND.



## COLLINGWOOD FOOTBALL CLUB

Collingwood Football Club continues to focus on promoting sport across a number of competitions.

The club achieved a membership of more than 85,000 and operated a wide range of programs and partnerships to help people facing disadvantage and homelessness. This included engaging with Indigenous and multicultural communities, growing sport for women through increased participation and equal opportunity, and encouraging people with disability to lead active lives.

The club also hosts and/or sponsors events for a range of community groups and charities, and supports other major events throughout the year. Groups that benefit include AFLW and VFL teams, and their members attending club events and clinics, as well as supporters attending open training sessions.

## Recognising our partners

M&OP's success over the past year could not have been possible without its valued hirers who continue to choose Melbourne Park arenas and stadiums to stage their events.

With their support, Victorians and visitors have once again had the opportunity to experience all the precinct has to offer.

This year, longstanding hirers returned to host events of all genres from music, sport and comedy to family, business, religious and cultural shows and tours.

This included Frontier Touring Company, Live Nation Australasia, TEG Dainty and TEG Live.

First-time hirers also enjoyed the experience of hosting events at the precinct's world-class facilities. M&OP welcomes them as new partners and acknowledges the importance of building strong relationships that proudly showcase Melbourne's arenas and stadiums to Victorians, and interstate and international visitors.

M&OP thanks each of its valued hirers and looks forward to continuing to work with them in the future.

### ARENA AND STADIUM HIRERS

Adrian Bohm Presents Pty Ltd	Football Victoria	Melbourne Storm Rugby League Club Ltd	Symbiotic Events Pty Ltd
Australian Dancing Society Ltd	Frontier Touring Company	Melbourne United Basketball Club	T20 World Cup 2020 Ltd
Australian Football League	Green Machine Boxing	Melbourne Victory FC	TEG Dainty Pty Ltd
Cameron Project Management Pty Ltd	Gymnastics Australia Ltd	National Rugby League	TEG Live Pty Ltd
Chemist Warehouse	Hardware Corporation	Netball Victoria	Tennis Australia
Collingwood Football Club	Hillsong Church Limited	Niche Productions and Touring Pty Ltd	The Hour Group Pty Ltd
Cycling Victoria	Illusive Presents Pty Ltd	Professional Bull Riders Australia Pty Ltd	The Wiggles Australia Pty Ltd
Department of Education and Training	JB Hi-Fi Group Pty Ltd	RC Aussie Hoops T/A South East Melbourne Phoenix	Ultra Time Entertainment Pty Ltd
Feld Entertainment Australia Pty Ltd	Live Nation Australasia Pty Ltd	Scali Properties	United Israel Appeal Refugee Relief Fund
Football Federation Australia	Mecca Brands	Secret Sounds	World Series of Darts Ltd
	Melbourne City FC		Youth Alive Victoria
	Melbourne Rebels Rugby Union Ltd		

### VENUE PARTNERS

AAMI	Cirka	Microhire	St John Ambulance
Capricorn Stages and Rigging	Coca-Cola Amatil	MSS Security	Unilever Australia (Streets)
Carlton & United Breweries	Delaware North	O'Brien Group Australia	Tennis Australia
	Diageo Australia	Spark Event Group (formerly Event Workforce Group)	Ticketek
			Ticketmaster

### TENANTS

Calibre Feasts	Melbourne Football Club	Melbourne Victory	Tennis Australia
Collingwood Football Club	Melbourne Rebels	Olympic Park Sports Medicine Centre	Tennis Victoria
Imaging @ Olympic Park	Melbourne Storm		Victorian Olympic Council

## Events cancelled

Due to the State of Emergency in Victoria, the following events that were scheduled to take place between 16 March 2020 and 30 June 2020 were cancelled.

### EVENT

Kip Moore	Melbourne Rebels v Crusaders
Melbourne Rebels v Sunwolves	Melbourne Victory v Melbourne United
Melbourne Victory v Brisbane Roar FC	Melbourne Rebels v Blues
Miranda Lambert	Melbourne Storm v New Zealand Warriors
Melbourne City FC v Adelaide United	Melbourne City FC v Sydney FC
Melbourne Storm v Penrith Panthers	So Pop 2020
Planetshakers Conference 2020	Melbourne Victory v FC Seoul
Marvel Universe Live!	Iron Maiden
Melbourne Storm v South Sydney Rabbitohs	Melbourne Rebels v Brumbies
Melbourne Victory v Central Coast Mariner	Melbourne Storm v Parramatta Eels
Melbourne Victory v Beijing Sinobo Guoan FC	Australian Gymnastics Championships
Lenny Kravitz	Melbourne Storm v Canberra Raiders
Melbourne Storm v Gold Coast Titans	Professional Bull Riders
Dave Matthews Band	

## Events postponed

As at 30 June 2020, the following events that were scheduled to take place between 16 March and 30 June 2020 were postponed to a later date.

### EVENT

Alanis Morissette	Steel Panther
Tame Impala	Backstreet Boys
The Offspring	Rex Orange County
PAW Patrol	Bat Out of Hell
Stormzy	Bon Iver
Ocean Alley	Parkway Drive
Faith No More	

# Five-year financial summary

The following table summarises the financial results of the Trust for the years ended 30 June.

	2020	2019	2018	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000
Income from transactions	99,042	122,611	111,689	94,452	97,143
Expenses from transactions	109,895	117,540	115,914	101,654	97,049
Net result from transactions	(10,853)	5,071	(4,225)	(7,202)	64
Net result for the period	(10,695)	270	(4,229)	(19,996)	244
Net cash flow from operating activities	(61,209)	7,593	60,558	32,200	(14,692)
<b>TOTAL ASSETS</b>	<b>2,485,977</b>	<b>2,306,664</b>	<b>2,182,106</b>	<b>2,038,320</b>	<b>1,548,168</b>
<b>TOTAL LIABILITIES</b>	<b>41,419</b>	<b>96,302</b>	<b>101,775</b>	<b>61,865</b>	<b>52,089</b>

## COMPREHENSIVE OPERATING STATEMENT

The net result from transactions for the year ended 30 June 2020 was a deficit of \$10.9 million (2019: \$5.1 million surplus). Earnings before interest, depreciation, asset write-downs, abnormal items and a Sports Development Transfer resulted in recording a \$24.8 million positive result (2018–19: \$42.1 million).

## REVENUE

The Trust's Comprehensive Operating Statement for the year ended 30 June 2020 reports total income from transactions of \$99.0 million, which is a decrease of \$23.6 million (19.2 per cent) from the previous year.

The result was mainly due to a decline in sales of goods and services, which decreased by \$29.5 million (24.5 per cent) from 2018–19. This was due to the coronavirus (COVID-19) pandemic halting revenue-generating activity on the precinct from mid March. In addition, falling interest rates reduced interest earned, which led to a \$0.736 million decrease in interest yielded.

The above decline in income was partially offset by a \$6.6 million increase in grant revenue during the year. This was largely due to receiving Victorian Government funding for replacing cladding at Melbourne Arena in the previous year.

## EXPENSES

Total expenses from transactions, including depreciation, as defined in the financial statements, totalled \$109.9 million (2019: \$117.5 million). Costs of goods sold and purchases of services decreased by \$10.2 million (22.3 per cent) from the previous year. This can be related to the decrease in revenue as a result of the coronavirus (COVID-19) pandemic.

Employee expenses fell by \$1.2 million (5.5 per cent) due to reduced event activity since late March. M&OP usually relies on a casual workforce during this period. However, employee expenses for the year included financial support payments made to casual staff whose earning capacity was reduced by the coronavirus (COVID 19) restrictions.

Depreciation and amortisation expenses of \$39.1 million (2019: \$36.1 million) increased compared

to the prior year, primarily due to the capitalisation of redevelopment assets. The Trust made a Sports Development Transfer of \$3 million during the year (2019: \$3 million).

## BALANCE SHEET

The Trust's balance sheet as at 30 June 2020 reports net assets of \$2.445 million (2019: \$2.210 million).

## ASSETS

Total cash and cash equivalents as at 30 June 2020 were \$110.2 million (2019: \$85.0 million). For financial reporting disclosure purposes, cash and cash equivalents include ticket sales for future events of \$23.9 million, and this value is also recognised as a liability.

The Trust held a net cash balance of \$88.3 million as at 30 June 2020 (2019: \$83.5 million). This excludes any monies relating to ticket sales for future events. The Trust held only \$2 million in term deposits with a maturity date greater than three months (2019: \$74.2 million) given all surplus funds are now held with the Victorian Government centralised account, which offers a premium rate.

Property, plant and equipment, and intangible assets have increased by \$187.5 million. This increase includes a \$121.9 million incremental change in land value to reflect the movement in land indices since the last revaluation by the Valuer-General Victoria in 2017. The remaining increase represents additional assets from completing capital projects during the year, including the remaining sections of the Rod Laver Arena Northern Annex. Prepayments have increased by \$38.6 million. This increase can be mainly attributed to unspent funding relating to Melbourne Park Redevelopment Stage 3.

## LIABILITIES

Payables decreased by \$6.3 million (63 per cent) from 2018–19. Other liabilities were \$33.5 million (2019: \$81.9 million), a decrease that was largely due to the reduction in ticket monies held for future events to \$23.9 million as at 30 June 2020 (2019: \$75.7 million). Ticket sales for future events are also reported under cash and cash equivalents.

# Governance

The Trust was established on 5 October 1995 pursuant to the provisions of the *Melbourne and Olympic Parks Act 1985*. It was created by the merger of the National Tennis Centre Trust (established 13 November 1985) and the Olympic Park Committee of Management (formed in 1909). The Act is administered jointly and severally by the Premier, the Minister for Tourism, Sport and Major Events, and the Minister for Priority Precincts, excluding sections 24–28, which are administered by the Minister for Energy, Environment and Climate Change.



## THE PURPOSES OF THE ACT

The purposes of the Act, as outlined in Part 1, Section 3, are:

- to create a Melbourne & Olympic Parks Trust to administer the National Tennis Centre, Olympic Park and certain other land and facilities for the purposes of tennis, other sports, recreation and entertainment; and
- to provide for the management and operation of the National Tennis Centre and Olympic Park; and
- to provide for the use and promotion of the National Tennis Centre and Olympic Park; and
- to provide for the development, promotion, management, operation and use of sports, recreation and entertainment facilities and services in Victoria in addition to those at the National Tennis Centre and Olympic Park; and
- to provide for the management of Gosch's Paddock by the Trust as a committee of management under the *Crown Land (Reserves) Act*.

### Under the Act, the Trust's primary functions are:

- to be responsible for the care, improvement, use and promotion of the National Tennis Centre and Olympic Park as facilities for tennis, other sports, recreation and entertainment;
- to operate the National Tennis Centre and Olympic Park efficiently and effectively to obtain the best possible use of the facilities;
- to provide planning for the operation of the National Tennis Centre and Olympic Park, which is coordinated between the two facilities;
- to be responsible for proper financial management of the National Tennis Centre and Olympic Park;
- to provide for the planning, development, promotion, management, operation and use of other sports, recreation and entertainment facilities and services in Victoria;
- to provide for the development, promotion, management, operation and use of facilities and services for the parking of vehicles and other necessary services to be used in conjunction with any of the facilities operated or managed by the Trust;
- to be the committee of management under the *Crown Land (Reserves) Act 1978* for Gosch's Paddock; and

- to accept appointment and act as a committee of management of Crown lands.
- to carry out any other function conferred on or given to the Trust by or under this Act or any other Act.

## STATEMENT OF CORPORATE GOVERNANCE

Procedures have been established for Trustees and at the executive management level to safeguard the Trust's assets and interests and to ensure integrity of reporting. The Trust acknowledges the need for all its Trustees and employees to maintain the highest standard of corporate governance practices and ethical conduct.

## TRUSTEES

Mr Russell Caplan (Chair)  
 Ms Jacinda Dixon  
 Mr Patrick Flannigan  
 Ms Catherine Friday  
 Mr Mark Hawthorne  
 Ms Jayne Hrdlicka  
 Ms Diana Nicholson  
 Mr John Ribot-de-Bresac  
 Mr Kenneth Roche AO  
 Ms Liberty Sanger  
 Dr Emma Sherry  
 Ms Janice van Reyk

## PEOPLE AND REMUNERATION COMMITTEE

The People and Remuneration Committee reviews and makes recommendations to the Trust in relation to the Victorian Government's policy requirements and assists the Trust in fulfilling its corporate governance obligations in relation to:

- senior executive remuneration, performance and succession planning
- Board operation and development.

### The members of the Committee during the year ended 30 June 2020 were:

Mr Patrick Flannigan (Chair)  
 Mr Russell Caplan  
 Ms Diana Nicholson  
 Mr John Ribot-de-Bresac  
 Ms Liberty Sanger.

## Governance (cont)

### FINANCE, AUDIT AND RISK COMMITTEE

The Finance, Audit and Risk Committee oversees financial governance and financial reporting matters.

The Committee's role includes:

- monitoring financial management compliance issues, and in particular identifying risk areas and monitoring associated rectification plans
- reviewing the integrity of reporting and internal control structures
- overseeing financial reporting, governance and performance
- monitoring and reporting on audit and risk matters.

The Committee meets monthly or more often as required, and makes recommendations to the Trust on specific issues.

The members of the Committee during the year ended 30 June 2020 were:

- Ms Catherine Friday (Chair)
- Mr Russell Caplan
- Ms Jacinda Dixon
- Ms Diana Nicholson
- Mr Kenneth Roche AO.

All Finance, Audit and Risk Committee members are independent from management.

### STRATEGIC PLANNING COMMITTEE

The Trust's Strategic Planning Committee provides independent and expert advice to assist the Trust in discharging its strategic planning responsibilities.

**The Committee's role includes:**

- monitoring and informing the Trust of developments and trends that may influence its ability to effectively achieve its goals
- overseeing the development of the strategic plan
- monitoring implementation of the strategic plan
- reviewing and making recommendations for approval of long-term business objectives and plans developed by the management team.

**The members of the Committee during the year ended 30 June 2020 were:**

- Mr Russell Caplan (Chair)
- Mr Patrick Flannigan
- Mr John Ribot-de-Bresac.

### EXECUTIVE MANAGEMENT

**Chief Executive Officer and Accountable Officer**  
Brian Morris (to 31 July 2019)

**Chief Executive Officer and Accountable Officer**  
John Harnden AM (from 5 August 2019)

**Chief Operating Officer**  
Andrew Travis

**Chief Financial Officer**  
Travis Mardling

**Director of Communications and Stakeholder Relations**  
Katherine Oakley

**Director of People Strategy**  
Tania Hannath

### CEO DIRECT REPORTS

The following table lists the CEO's direct reports as at 30 June 2020.

CHIEF EXECUTIVE OFFICER JOHN HARNDEN AM					
CHIEF FINANCIAL OFFICER TRAVIS MARDLING	CHIEF OPERATING OFFICER ANDREW TRAVIS	DIRECTOR OF COMMUNICATIONS AND STAKEHOLDER RELATIONS KATHERINE OAKLEY	DIRECTOR OF PEOPLE STRATEGY TANIA HANNATH	MANAGER OF STRATEGIC INSIGHTS AND DELIVERY BEN GOODWIN	EXECUTIVE ASSISTANT DEIDRE COLVIN

## OCCUPATIONAL HEALTH AND SAFETY

The Trust provides and maintains an environment that is safe for all who visit and work within the precinct and those who may be affected by its business operations. The Trust eliminates risks to health and safety, and where elimination is not reasonably achievable, reduces risks to health and safety as is reasonably practicable.

### This is achieved by:

- promoting a strong safety culture and integrating safety into all aspects of M&OP activities
- measuring and reporting on objectives and targets that control risk activities, increase awareness of health and safety, and prevent injuries and illnesses
- providing resources to plan and maintain a safe, healthy and supportive work environment
- maintaining physical infrastructure and public spaces in a condition that ensures they are safe to use.

To support this commitment, the Trust maintains certification to Australian and New Zealand Standard 4801 – Occupational health and safety management systems (AS/NZS 4801). This is underpinned by the Trust's leadership-driven safety culture, which encourages collaboration, consultation and ownership of safety at all levels. The Trust's commitment to continuous improvement is reflected in our Health and Safety Policy, which highlights the accountabilities shared across our workforce.

### The Trust's key achievements for the year included:

- meeting our strategic safety targets for event guest injuries and employee lost time injuries
- having our occupational health and safety system audited and maintaining certification against the requirements of AS/NZS 4801
- identifying, reporting and controlling 829 hazards, an increase of 49 per cent from the previous period.

A copy of the Trust's Health and Safety Policy is available on the M&OP website at [www.mopt.com.au](http://www.mopt.com.au)

## SUSTAINABILITY AND ENVIRONMENT

The Trust is committed to being an environmentally responsible organisation. It is working to reduce energy and water consumption, and generation of waste to benefit the people of Victoria.

### Several activities were undertaken in 2019–20 year to continually improve sustainability practices.

#### These included:

- conducting an energy audit and isolating all non-essential plant and equipment energy sources to eliminate unnecessary power consumption during the coronavirus (COVID-19) shutdown
- designing 122 KW solar generation capacity, which will be installed as part of the Melbourne Park Redevelopment Stage 3
- designing the CENTREPIECE at Melbourne Park building to the Leadership in Energy and Environmental Design (LEED) 'Gold standard'. LEED recognises best-in-class building strategies and practices. To receive LEED certification, which is the most internationally recognised scheme of its kind, building projects must satisfy prerequisites and earn points to achieve different levels of certification
- harvesting more than 34.087 million litres of water via our water harvesting system at Melbourne Park. This figure is up from 28.7 million litres as a result of efficiency improvements, and a co-funded project with City West Water to reinstate a redundant pump well and install a new recycled pipeline to improve water capture in the north west area of the precinct.

## Governance (cont)

### PUBLIC SECTOR VALUES AND EMPLOYMENT PRINCIPLES

The Trust is committed to two codes issued by the Victorian Public Sector Commission (VPSC), being the Code of Conduct for Directors of Victorian Public Entities and the Code of Conduct for Victorian Public Sector Employees.

Enterprise Agreements are in place and the Trust continues its ongoing commitment to the VPSC standards on equal opportunity, fair and reasonable treatment, merit in employment and reasonable avenues of redress.

### WORKFORCE DATA

The Trust employed 99 full time and part time staff as at 30 June 2020 (2019:102). The number of Full Time Equivalent (FTE) staff at 30 June was 96 (2019:98). The number of fixed term and casual employees at 30 June 2020 was 535 (2019: 548).

When delivering events across the precinct the M&OP workforce is complemented by contractors from key partners including Spark Event Group, Capricorn Stages and Rigging, Cirka, Microhire, Delaware North, MSS Security, O'Brien Group Australia, St John Ambulance and Ticketek.

The breakdown of M&OP staff is as follows:

JUNE 2020						
ONGOING						
	Total Employees (Headcount)	Full Time Permanent (Headcount)	Part Time Permanent (Headcount)	FTE	Fixed Term (Headcount)	Casual (Headcount)
Male	347	50	4	53	9	284
Female	287	40	5	43	6	236
Executive	5	0	0	5	5	0
Administration & Support Staff	46	39	1	39	6	0
Event & Venue Staff	583	51	8	57	4	520
<b>TOTAL EMPLOYEES</b>	<b>634</b>	<b>90</b>	<b>9</b>	<b>96</b>	<b>15</b>	<b>520</b>

JUNE 2019						
	ONGOING					
	Total Employees (Headcount)	Full Time Permanent (Headcount)	Part Time Permanent (Headcount)	FTE	Fixed Term (Headcount)	Casual (Headcount)
Male	349	53	4	56	8	284
Female	301	36	9	42	6	250
Executive	4	0	0	0	4	0
Administration & Support Staff	50	38	4	40	8	0
Event & Venue Staff	596	51	9	58	2	534
<b>TOTAL EMPLOYEES</b>	<b>650</b>	<b>89</b>	<b>13</b>	<b>98</b>	<b>14</b>	<b>534</b>

## DIVERSITY AND INCLUSION

M&OP is committed to initiatives that encourage diversity and support inclusion. This year, efforts continued towards fostering a culture that supports

diversity and inclusion, and a work environment in which staff feel safe, respected, included and acknowledged.

The following table shows the breakdown of M&OP staff.

	TOTAL WORKFORCE	CASUAL WORKFORCE	SUPERVISORY LEVEL	MANAGER LEVEL
Male	55%	55%	44%	56%
Female	45%	45%	56%	44%

# Other disclosures

## LOCAL JOBS FIRST

The *Local Jobs First Act 2003* was amended in August 2018 to bring together the Victorian Industry Participation Policy (VIPP) and Major Projects Skills Guarantee (MPSG), which were previously administered separately. The Trust is required to apply the Local Jobs First policy for Metropolitan Melbourne and statewide projects valued at \$3 million or more, and projects in regional Victoria valued at \$1 million or more.

### Standard Local Jobs First projects – commenced

During 2019–20, M&OP commenced five standard Local Jobs First projects. These were deferred prior to completion as a result of the coronavirus (COVID-19) pandemic.

### Standard Local Jobs First projects – completed

During 2019–20, M&OP completed three standard Local Jobs First projects that fell within the VIPP because they were valued at more than \$3 million. Of these, two procurement projects launched in the 2018–19 financial year were completed in the 2019–20 financial year. The final of the three procurement projects was launched and completed in the 2019–20 financial year.

## SOCIAL PROCUREMENT FRAMEWORK

The Victorian Government released a Social Procurement Framework (SPF) in 2018 that applies to all Government agencies subject to the Standing Directions for the Minister for Finance. M&OP has developed a strategy that aligns with the SPF, with six social and sustainable objectives that it pursues during relevant procurement activities and projects. The following table outlines the SPF objectives it is pursuing.

SPF OBJECTIVE	SPF OUTCOME
<b>Opportunities for Victorian Aboriginal people</b>	Purchasing from Victorian Aboriginal businesses Employment of Victorian Aboriginal people by suppliers to the Victorian Government
<b>Opportunities for Victorians with disability</b>	Purchasing from Victorian social enterprises and Australian Disability Enterprises
<b>Women's equality and safety</b>	Adoption of family violence leave by Victorian Government suppliers Gender equality within Victorian Government suppliers
<b>Supporting safe and fair workplaces</b>	Purchasing from suppliers that comply with industrial relations laws and promote secure employment
<b>Environmentally sustainable outputs</b>	Project-specific requirements to use sustainable resources and to manage waste and pollution
<b>Environmentally sustainable business practices</b>	Adoption of sustainable business practices by suppliers to the Victorian Government

During 2019–20, M&OP commenced seven procurement projects that involved social procurement objectives, completing two and deferring five as a result of the coronavirus (COVID 19) pandemic.

## GOVERNMENT ADVERTISING EXPENDITURE

The Trust did not launch any advertising campaigns that triggered the disclosure threshold of \$100,000 in the 2019–20 financial year.

## CONSULTANCY EXPENDITURE

The following table provides details of consultancies valued at more than \$10,000.

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL EXPENDITURE 2019–20 (EXCLUDING GST)	FUTURE COMMITMENTS
<b>City Collective</b>	Melbourne Football Club Training and Administration Facility Feasibility Study	October 2019	March 2020	\$26,500	–
<b>KPMG</b>	Establishing a Procurement Framework	September 2019	November 2019	\$61,425	–
<b>Lehr Consultants International</b>	Conduct strategic review of precinct fire safety systems	May 2020	August 2020	\$20,000	\$56,000
<b>TJC Consulting</b>	Supply rights benchmarking for AAMI Park	December 2019	February 2020	\$21,000	–

## DETAILS OF CONSULTANCIES LESS THAN \$10,000

There were no consultancies engaged during the year where the total fees payable to the individual consultancy was less than \$10,000.

## INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2019/20 reporting period, the Trust had a total ICT expenditure of \$8,555,000 with the details shown below.

ALL OPERATIONAL ICT EXPENDITURE	ICT EXPENDITURE RELATED TO PROJECTS TO CREATE OR ENHANCE ICT CAPABILITIES		
BUSINESS AS USUAL (BAU) ICT EXPENDITURE (\$'000)	NON-BUSINESS AS USUAL (NON-BAU) ICT EXPENDITURE (Total = Operational expenditure and Capital Expenditure)	OPERATIONAL EXPENDITURE (\$'000)	CAPITAL EXPENDITURE (\$'000)
2,102	6,453	8	6,445

ICT expenditure refers to the Trust's costs in providing business enabling ICT services. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Trust's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

## Other disclosures (cont)

### FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* allows the public the right to access documents held by the Trust. For the 12 months ending June 30 2020, the Trust received zero Freedom of Information requests.

Freedom of Information requests can be submitted to: Melbourne & Olympic Parks Trust  
GPO Box 4611, Melbourne Vic 3001

Requests can also be lodged via email to [foi@mopt.vic.gov.au](mailto:foi@mopt.vic.gov.au). All requests must be accompanied by the application fee of two fee units, equivalent to \$29.62 (but may be waived in certain circumstances) and provide such information concerning the document as is reasonably necessary to enable the Trust to identify the document. Charges may also apply once documents have been processed and a decision on access is made; for example, photocopying, search and retrieval charges.

### COMPLIANCE WITH THE *BUILDING ACT 1993*

The Trust complies with the relevant guidelines under Section 220 of the *Building Act 1993*.

### COMPETITIVE NEUTRALITY POLICY

The Trust regularly reviews whether its activities are subject to the requirements of the National Competition Policy, including compliance with the requirements of the policy statement 'Competitive Neutrality Policy Victoria', and takes necessary action to implement competitive neutrality measures where required.

### COMPLIANCE WITH THE *PUBLIC INTEREST DISCLOSURE ACT 2012*

The Trust is committed to the aims and objectives of the *Public Interest Disclosure Act 2012*. It recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct. It does not tolerate improper conduct by the organisation, its employees, officers or members, nor the taking of detrimental action in reprisal against those who come forward to disclose such conduct.

According to the Independent Broad-based Anti-corruption Commission (IBAC), the Trust is not permitted to receive disclosures made under the Act.

If you wish to make a disclosure about the Trust, its officers, members or employees, you will need to make that disclosure directly to IBAC. If the Trust believes a disclosure may be a protected disclosure made in accordance with the Act, it will ask you to make that disclosure to IBAC. IBAC will deal with the disclosure. Procedures in relation to the *Public Interest Disclosure Act 2012* are available on the Trust's website.

### COMPLIANCE WITH THE *DISABILITY ACT 2006*

The Trust is committed to providing equitable, dignified access to goods and services to premises used by the public. In doing so, we are continuously looking to improve the visitor experience for all our guests.

Throughout this financial year, the Trust continued to implement its Disability and Inclusion Action Plan (DIAP) 2019–21, setting short-, medium- and long-term goals to improve the guest experience for people with disability. This provides strategies for accessible and inclusive systems that allow for a seamless customer experience, bringing to life the Trust's vision of a thriving precinct – every person, every event, every time.

### REDUCING BARRIERS TO ACCESSING GOODS, SERVICES AND FACILITIES

The Trust strives to be an industry leader, domestically and internationally, by providing best-practice universal access. A key focus of the extensive Melbourne Park Redevelopment has been the inclusion of universal design principles. This proactive work ensures the design of new buildings or upgraded infrastructure focuses on improving access for all Victorians.

Melbourne Park Redevelopment Stage 2 was completed on August 23 2019. Work to meet universal design principles included:

- linking entrances and pathways (Stage 3 will also focus on pathways)
- introducing non-mechanical access (ramps) to Rod Laver Arena
- upgrading accessible toilets in existing areas
- providing hearing augmentation within the venues
- providing all-gender accessible toilets
- providing the precinct's second changing places facility (fully accessible toilet and bathroom)

- providing new food concessions and retail facilities that incorporate lower-height accessible service counters
- improving egress by widening stairs for walk-in guests
- improving access to arena floors and providing house facilities for athletes, performers and support staff
- increasing rest seating
- installing handrails on all stairs in Rod Laver Arena's seating bowl
- designing and delivering the eight-storey Tennis HQ building so it aligns with accessibility principles
- refurbishing Tanderrum Bridge to improve access to the precinct from Birrarung Marr.

Melbourne Park Redevelopment Stage 3 will continue to improve accessibility across the precinct, with universal design principles playing an important part of the design of pathways, CENTREPIECE at Melbourne Park (an event venue and function space) and the new show court arena.

#### **PROMOTING INCLUSION AND PARTICIPATION IN THE COMMUNITY**

The Trust recognises its role in building strong and cohesive communities, promoting inclusion of the broadest possible spectrum of individuals. This has been underpinned by developing the DIAP, which will be implemented later in 2020. The DIAP aligns with the National Disability Strategy 2010–20 and fulfils legislative obligations under the *Disability Act 2006*, the *Equal Opportunity Act 2010* and the *Disability Discrimination Act 1995 (Cth)*. A copy of the plan is available at [www.mopt.com.au](http://www.mopt.com.au).

#### **ACHIEVING TANGIBLE CHANGE IN ATTITUDES AND PRACTICES THAT DISCRIMINATE AGAINST PEOPLE WITH DISABILITY**

The Trust's Diversity and Inclusion Statement is committed to actively fostering these behaviours. We measure progress through our biannual Alignment and Engagement Survey and People Matters Survey. The Trust developed and delivered in-person and online training to our event delivery customer-facing workforce, incorporating customer needs for patrons of all abilities into all staff training programs. Additionally, Toolbox Safety sessions, staff training, workforce briefings and information have focused on disability awareness

across the precinct. Our leaders and Human Resources team actively work with current employees with disabilities to reduce barriers by putting resources and support in place.

#### **ADDITIONAL DEPARTMENTAL INFORMATION AVAILABLE ON REQUEST**

Relevant information as detailed in Financial Reporting Direction 22H 'Standard Disclosures in the Report of Operations' is available upon request, subject to the provisions of the *Freedom of Information Act 1982*.

#### **Information is available on request from:**

Melbourne & Olympic Parks Trust  
Phone: (03) 9286 1600  
Email: [enquiries@mopt.vic.gov.au](mailto:enquiries@mopt.vic.gov.au)

#### **COMPLIANCE WITH DATAVIC ACCESS POLICY**

Consistent with the Victorian Government 2012 DataVic Access Policy, all data tables included in this annual report will be available at [www.data.vic.gov.au](http://www.data.vic.gov.au) in electronic readable format.

#### **GOSCH'S PADDOCK**

Gosch's Paddock was open at all times throughout 2019–20.

#### **MELBOURNE & OLYMPIC PARKS TRUST FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT**

I, Russell Caplan, on behalf of the Responsible Body, certify that the Melbourne & Olympic Parks Trust has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

#### **Russell Caplan**

Chair  
Melbourne & Olympic Parks Trust

# Financial statements

FINANCIAL YEAR ENDED 30 JUNE 2020

Comprehensive operating statement

Balance sheet

Statement of changes in equity

Cash flow statement

Notes to the financial statements

## COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTES	2020 \$'000	2019 \$'000
<b>INCOME FROM TRANSACTIONS</b>			
Sales of goods and services	2a	90,915	120,412
Interest		781	1,517
Other Income	2b	7,346	682
<b>TOTAL INCOME FROM TRANSACTIONS</b>		<b>99,042</b>	<b>122,611</b>
<b>EXPENSES FROM TRANSACTIONS</b>			
Cost of goods sold/distributed	3a	7,172	16,667
Purchase of services	3b	28,408	29,111
Employee expenses	3c	21,171	22,398
Depreciation & amortisation	9	39,100	36,123
Other operating expenses	3d	11,044	10,241
Sports Development Transfer	3e	3,000	3,000
<b>TOTAL EXPENSES FROM TRANSACTIONS</b>		<b>109,895</b>	<b>117,540</b>
<b>NET RESULT FROM TRANSACTIONS (NET OPERATING BALANCE)</b>		<b>(10,853)</b>	<b>5,071</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets	4a	113	(4,939)
Net gain/(loss) arising from revaluation of long service liability	4b	45	138
<b>TOTAL OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT</b>		<b>158</b>	<b>(4,801)</b>
<b>Net result</b>		<b>(10,695)</b>	<b>270</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that will not be reclassified to the net result</b>			
Change in Asset Revaluation Reserve	9	118,512	–
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>118,512</b>	<b>–</b>
<b>Comprehensive result</b>		<b>107,817</b>	<b>270</b>

The above comprehensive operating statement should be read in conjunction with the accompanying notes to the financial statements.

## BALANCE SHEET FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTES	2020 \$'000	2019 \$'000
<b>ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents	5	110,235	84,999
Receivables	6	4,902	4,690
Other financial assets	7	2,000	74,200
<b>TOTAL FINANCIAL ASSETS</b>		<b>117,137</b>	<b>163,889</b>
<b>NON-FINANCIAL ASSETS</b>			
Prepayments	8	103,729	65,161
Property, plant and equipment and intangible assets	9	2,265,111	2,077,614
<b>TOTAL NON-FINANCIAL ASSETS</b>		<b>2,368,840</b>	<b>2,142,775</b>
<b>TOTAL ASSETS</b>		<b>2,485,977</b>	<b>2,306,664</b>
<b>LIABILITIES</b>			
Payables	10	3,724	10,064
Provisions	11	4,156	4,296
Other liabilities	12	33,539	81,942
<b>TOTAL LIABILITIES</b>		<b>41,419</b>	<b>96,302</b>
<b>NET ASSETS</b>		<b>2,444,558</b>	<b>2,210,363</b>
<b>EQUITY</b>			
Accumulated surplus		169,134	179,828
Reserves		941,696	823,184
Contributed capital		1,333,728	1,207,351
<b>NET WORTH</b>		<b>2,444,558</b>	<b>2,210,363</b>
Commitments for expenditure	14		
Contingent assets and contingent liabilities	15/16		

The above balance sheet should be read in conjunction with the accompanying notes to the financial statements.

## STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTES	PHYSICAL ASSET REVALUATION SURPLUS \$'000	ACCUMULATED SURPLUS \$'000	CONTRIBUTIONS BY OWNER \$'000	TOTAL \$'000
<b>BALANCE AT 30 JUNE 2018</b>		<b>823,184</b>	<b>179,558</b>	<b>1,077,589</b>	<b>2,080,331</b>
Net result for the year		–	270	–	270
Transactions with owners in their capacity as owners		–	–	129,762	129,762
<b>BALANCE AT 30 JUNE 2019</b>		<b>823,184</b>	<b>179,828</b>	<b>1,207,351</b>	<b>2,210,363</b>
Net result for the year		–	(10,695)	–	(10,695)
Transactions with owners in their capacity as owners		–	–	126,377	126,377
Revaluation of Assets	9	118,512	–	–	118,512
<b>BALANCE AT 30 JUNE 2020</b>		<b>941,696</b>	<b>169,134</b>	<b>1,333,728</b>	<b>2,444,558</b>

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

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	NOTES	2020 \$'000	2019 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Receipts from customers		103,754	126,910
Customer receipts on behalf of suppliers		132,445	207,440
Interest received		781	1,517
Other receipts		7,346	682
<b>TOTAL RECEIPTS FROM OPERATING ACTIVITIES</b>		<b>244,326</b>	<b>336,549</b>
<b>PAYMENTS</b>			
Payments to suppliers and employees		(115,088)	(121,469)
Payments to suppliers on behalf of customers		(184,231)	(208,098)
GST paid to the ATO		(3,216)	3,611
Payments to government (financial transfer)		(3,000)	(3,000)
<b>TOTAL PAYMENTS FROM OPERATING ACTIVITIES</b>		<b>(305,535)</b>	<b>(328,956)</b>
<b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>	18b	<b>(61,209)</b>	<b>7,593</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for non-financial assets		(111,954)	(124,114)
Receipts of (payments for) other financial assets		72,200	(14,050)
Receipts on sale of non-financial assets		2	2
<b>NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>(39,752)</b>	<b>(138,162)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts from Government (capital)		126,377	129,762
Repayment of principal portion of lease liabilities		(180)	-
<b>NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>126,197</b>	<b>129,762</b>
Net increase/(decrease) in cash and cash equivalents		25,236	(807)
Cash and cash equivalents at the beginning of the financial year		84,999	85,806
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	18a	<b>110,235</b>	<b>84,999</b>

The above cash flow statement should be read in conjunction with the accompanying notes to the financial statements.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Statement of compliance

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA), applicable Australian Accounting Standards (AASs), which includes those issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Accounting policies are selected and applied in a manner that ensures the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions is presented in Note 25. These annual financial statements were authorised for issue by the Trustees on 28 October 2020.

### (b) Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. 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. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1(l)); and
- assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(m)).

Consistent with AASB 13 Fair Value Management, Melbourne & Olympic Parks Trust (M&OP or the Trust) determines the policies and procedures for recurring fair value measurements for property, plant and equipment, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions (FRDs).

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

#### (b) Basis of accounting preparation and measurement (cont.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

**Level 2** – Valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable and/or indirectly observable; and

**Level 3** – Valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability, and the level of the fair value hierarchy as explained above.

In addition, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest-level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is the Trust's independent valuation agency. VGV has used the services of Napier & Blakeley, a third-party valuer, to determine the fair value of the Trust's assets. The Trust's assets were last independently revalued at 30 June 2017 as required by the FMA, by Napier & Blakeley on behalf of the VGV. This revaluation determined the replacement cost and depreciated replacement cost for the inspected properties: Rod Laver Arena and the surrounding grounds, Melbourne Arena, AAMI Park and Holden Centre. Work in progress relating to the redevelopment were not included in the revaluation.

The Trust, in conjunction with the VGV and Napier & Blakeley, monitors changes in the fair value of each asset and liability through relevant data sources, to determine whether revaluation is required.

In compliance with FRD103H, management performed an annual fair value assessment of land and buildings as at 30 June 2020. Management referred to the annual land indices released by the Valuer General Victoria (VGV). In making this assessment, it was established that the cumulative movement in indices since the last formal revaluation in 2016-17 had materially moved which resulted in a \$121.9 million incremental adjustment to the fair value of land as at 30 June 2020.

Fair value assessments have been performed for all classes of assets in this purpose group and, aside from land, the decision was made that movements were not material (less than or equal to 10 per cent) for a full revaluation. The next scheduled full revaluation for this purpose group will be conducted in 2021-22.

These financial statements are presented in Australian dollars, the functional and presentation currency of the Trust.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2020 and the comparative information presented for the year ended 30 June 2019.

#### **COVID-19 Impact on Going Concern**

The Trust has been significantly impacted by the coronavirus pandemic since March 2020. The precinct is unable to host events in the current climate and recovery of the industry is likely to be gradual and slow. As a result, no meaningful revenue is being generated by the business.

The Trust has built and maintained a strong financial position prior to the onset of the pandemic, enabling the Trust to sustain operations, support employee payments and meet commitments.

To ensure the going concern of the Trust, a request was made to the Department of Jobs, Precincts & Regions in August 2020 to provide the Trust with a letter of support for financial support for the 2020-21 financial year.

The Department has since returned a letter of financial support to the Trust on 9 October 2020, advising that the Trust will be provided with the financial support necessary to ensure the ongoing financial sustainability of the Trust. On this basis, management is comfortable that the financial statements have been prepared on a going-concern basis.

### **(c) Reporting entity**

The financial statements cover the Trust as an individual reporting entity. The Trust is a government agency of the State of Victoria, established pursuant to the provisions of the *Melbourne and Olympic Parks Act 1985 (the Act)*.

The Trust's principal address is:  
Melbourne & Olympic Parks Trust  
Batman Avenue  
Melbourne Vic 3001

### **Objectives and funding**

The Act outlines that the purpose of the Trust is to administer, manage and promote the use of Melbourne & Olympic Parks for the purposes of tennis, other sports, entertainment and recreation.

The Trust, in its planning, delivers on this purpose by ensuring that the precinct is:

- accessible, well utilised and valued by Victorians;
- recognised as being of international standing for tennis, sport and entertainment;
- able to support Victoria's broader sport, tourism and major events strategies; and
- financially sustainable.

### **(d) Scope and presentations of financial statements**

#### **Comprehensive operating statement**

The comprehensive operating statement comprises three components:

- net result from transactions (net operating balance);
- other economic flows included in net result; and
- other economic flows – other comprehensive income.

The sum of the first two represents the net result.

The net result is equivalent to profit or loss derived in accordance with AASs.

Other economic flows are changes arising from market remeasurements. They include:

- gains and losses from disposals of non-financial assets;
- revaluations and impairments of non-financial physical and intangible assets; and
- revaluation of long service leave liability.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

Refer to the glossary in Note 25 for definitions of 'net result from transactions', 'other economic flows included in net result' and 'other economic flows – other comprehensive income'.

#### **Balance sheet**

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets. Current and non-current assets or liabilities – those expected to be recovered or settled beyond 12 months – are disclosed in the notes, where relevant.

Cash held on behalf of customers represents cash received for event ticket sales which is held at bank from the time tickets are purchased and paid out to the hirer after the event has taken place. A corresponding liability to customers is also held and included within other liabilities.

#### **Cash flow statement**

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of cash flows.

#### **Statement of changes in equity**

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity, from the opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also separately shows changes due to amounts recognised in the 'comprehensive result' and amounts recognised in 'other economic flows – other movements in equity' related to 'transactions with owner in its capacity as owner'.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

#### (e) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Trust and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period.

Adjustments are made to amounts recognised in the financial statements for events that occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue, where the events relate to conditions that arose after the end of the reporting period and that may have a material impact on the results of subsequent reporting periods.

#### (f) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquiring the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities and which are recoverable from or payable to the taxation authority are presented as operating cash flows.

#### (g) Comparatives

Where applicable, certain reclassifications have been made to comparative figures to align with presentation in the current year. In the cash flow statement, figures have been amended for receipts from customers and

payments to suppliers and employees by \$40.5 million. Additionally, in the comprehensive operating statement and corresponding note disclosure, figures have been amended for sales of goods and services and employee expenses by \$0.4 million.

#### (h) Income from transactions

##### *Sale of goods and services*

The sale of goods and services has been determined to be classified as revenue from contracts with customers in accordance with AASB 15. The impact of initially applying AASB 15 on the Trust's revenue from contracts with customers is described below. Due to the modified retrospective transition method chosen in applying AASB 15, comparative information has not been restated to reflect the new requirements.

The following practical expedient has been used for uncompleted contracts when applying AASB 15 retrospectively under the modified approach:

For contracts modified before the date of initial application, the Trust has reflected the aggregate of all past contracts modifications that occurred before the date of initial application when identifying performance obligations and determining and allocating the transaction price.

The practical expedient has been consistently applied to all contracts within the current reporting period.

Revenue is measured based on the consideration specified in the contract with the customer. The Trust recognises revenue when the performance obligations for the sale of goods and services to the customer are satisfied, which is generally when an event has occurred.

Where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with accounting policy above.

There has been no change in the recognition of revenue from the sale of goods and services as a result of the adoption of AASB 15. The adoption of AASB 15 did not have an impact on the comprehensive operating statement or the cash flow statement for the financial year.

#### **Grants**

The Trust has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

The Trust has elected to utilise the modified retrospective transition method in applying AASB 1058, and therefore comparative information has not been restated to reflect the new requirements. The adoption of AASB 1058 did not have an impact on the comprehensive operating statement or the cash flow statement for the financial year.

#### **Interest**

Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

#### **(i) Expenses from transactions**

Payments to third parties are recognised as an expense in the reporting period in which they are paid or are payable.

#### **Cost of goods sold/distributed**

Purchase costs of goods sold/distributed are recognised as an expense in the reporting period in which they are incurred.

#### **Purchase of services**

Purchase of services are recognised as an expense in the reporting period in which they are incurred.

#### **Employee expenses**

These expenses include all forms of consideration given by the Trust in exchange for services rendered by employees, or for the termination of employment. This includes wages, salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

#### **Superannuation**

The amount recognised in the comprehensive operating statement is the employer's contributions for members

of defined contribution superannuation plans paid or payable during the reporting period.

Details of the funds to which the Trust made superannuation contributions during the year are disclosed in Note 23.

#### **Depreciation and amortisation**

In compliance with AASB 116 Property, Plant and Equipment, depreciation and amortisation has been charged on all fixed assets, intangibles and capital works developments, with the exception of land.

The provisions for depreciation are made using the straight-line method, at rates appropriate to the estimated useful life, to the Trust, of each individual asset. Estimates of the remaining useful lives for all assets are reviewed annually and range from greater than zero up to 70 years. The Trust's policy is to capitalise assets valued over \$5,000, and expense immediately assets valued at less than \$5,000 (2019: \$5,000).

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The following are typical estimated useful lives for different asset classes, for the current and prior years.

ASSET CLASS	USEFUL LIFE	
	2020	2019
Buildings	50–70 years	50–70 years
Plant & Equipment	5–30 years	5–30 years
Motor Vehicles	5 years	5 years
Intangible Assets	5 years	5 years
Right of Use Assets	5 years	–

The residual value and useful life of the assets are reviewed annually.

#### **Other operating expenses**

Other operating expenses generally represent the day-to-day running costs incurred in normal operations, and are recognised as an expense in the reporting period in which they are incurred.

#### **Government financial transfers**

Government financial transfers represents payments made by the Trust to the Victorian Government in support of sport and recreation programs.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

#### (j) Other economic flows included in the net result

##### **Net gain/(loss) on non-financial assets**

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

##### (i) Net gain/(loss) on disposal of non-financial assets

Any gain or loss on disposal of non-current assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time. Disposals will also include any assets written off and/or no longer available for use.

##### (ii) Impairment of non-financial assets

All of the Trust's assets are assessed annually for indications of impairment.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the comprehensive operating statement, except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount of most major assets is measured at the higher of the depreciated replacement cost and the fair value less cost to sell.

The depreciated replacement cost is the current replacement cost of an asset, less (where applicable) accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired future economic benefits of the asset.

##### **Net gain/(loss) arising from revaluation of long service leave liability**

Net gain/(loss) from the revaluation of long service leave liability arises due to changes in the bond interest rates.

#### (k) Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Trust's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation.

#### Categories of financial assets

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

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result, namely:

- the assets are held by the Trust to collect the contractual cash flows; and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Trust recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

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

The Trust has been recording a loss allowance for expected credit losses for the relevant financial instruments using AASB 9's expected credit loss approach. Subject to AASB 9, the impairment assessment includes the Trust's contractual receivables and statutory receivables. The loss allowance is recognised in the comprehensive operating statement as an 'other economic flow'.

The Trust applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Trust has grouped contractual receivables on shared credit risk characteristics and days past due and selected the expected credit loss rate based on the Trust's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

While cash and cash equivalents are subject to the impairment requirements of AASB 9, there has been no impairment loss.

The Trust's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses.

#### **Categories of financial liabilities**

##### ***Financial liabilities amortised at cost***

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all of the Trust's contractual payables, and interest-bearing liabilities (including lease liabilities) other than those designated at fair value through profit or loss.

##### ***Offsetting financial instruments***

Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Trust concerned has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the Trust does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

##### ***Derecognition of financial assets***

A financial asset is derecognised when the rights to receive cash flows from the asset have expired, or the Trust retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or the Trust has transferred its rights to receive cash flows from the asset.

##### ***Derecognition of financial liabilities***

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

#### (I) Assets

All assets controlled by the Trust are reported in the balance sheet.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at bank, deposits at call, and highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes. These are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

#### **Receivables**

Receivables consist of:

- statutory receivables, which mainly includes amounts owing from the Victorian Government, and GST input tax credits recoverable; and
- contractual receivables, which mainly include debtors in relation to goods and services, and accrued investment income.

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

#### **Other financial assets**

Other financial assets recognised on the balance sheet comprise cash deposited for more than 90 days with the Treasury Corporation of Victoria and Australian financial institutions.

For the purpose of the cash flow statement, other financial assets include deposits with an original maturity of greater than three months.

#### **Property, plant and equipment**

Land, buildings, plant and equipment and right-of-use assets are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

#### **Revaluation of non-financial physical assets**

Non-financial physical assets measured at fair value are revalued in accordance with the new FRD 103H issued by the Assistant Treasurer. A full revaluation occurs at least every five years, based on the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the relevant FRDs.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'other economic flows – other comprehensive income' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decrease is recognised in 'other economic flows – other comprehensive income' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the net revaluation decreases are recognised immediately as other economic flows in the net result. The net revaluation decrease recognised in 'other economic flows – other comprehensive income' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets in a class of property, plant and equipment are offset against one another in that class but are not offset in respect of assets in different classes. The asset revaluation surplus is not transferred to accumulated funds on derecognition of the relevant asset.

### **Intangible assets**

Intangible assets represent identifiable non-monetary assets without physical substance. Intangible assets are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Trust.

### **Prepayments**

Represent payments in advance of receipts of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

### **(m) Liabilities**

#### **Payables**

Payables consist of:

- contractual payables, such as accounts payable and unearned income including deferred income from concession notes (accounts payable represent future payments in respect of the purchase of those goods and services);
- liabilities for goods and services provided to the Trust prior to the end of the financial year, which are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as GST and fringe benefits tax payable.

#### **Provisions**

Provisions are recognised when the Trust has a present obligation, the future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the 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, using a discount rate that reflects the time value of money and risks specific to the provision.

### **Ticket sales for future events**

Ticket sales for future events represents ticket monies held on behalf of hirers and paid out to the hirer after the event has taken place. A corresponding asset for cash held on behalf of customers is also included within current assets. In compliance with AASB 15, the venue hire income attributable to these funds is recognised once the performance obligation has been achieved.

### **Employee benefits**

#### **(i) Wages, salaries and annual leave**

Liabilities for wages and salaries, including non-monetary benefits and annual leave, are recognised in the provision for employee benefits as 'current liabilities' because the Trust does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of the settlement, liabilities for wages, salaries and annual leave are measured at:

- nominal value if the Trust expects to wholly settle within 12 months; or
- present value if the Trust does not expect to wholly settle within 12 months.

#### **(ii) Long service leave**

A liability for long service leave (LSL) is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service.

All unconditional vested LSL representing seven years or greater of continuous service is disclosed in accordance with AASB 101 Presentation of Financial Statements as a current liability. This recognition is determined even though the Trust does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. Liability for LSL is recognised in the provision for employee benefits.

The components of this current LSL liability are measured at:

- nominal value – the component that the Trust expects to wholly settle within 12 months.
- present value – the component that the Trust does not expect to wholly settle within 12 months; and

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

#### (m) Liabilities (cont.)

Conditional LSL (representing less than seven years of continuous service) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised in the 'net result from transactions', except to the extent that a gain or loss arises due to changes in bond interest rates, for which it is then recognised in the net result as another economic flow.

#### (iii) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Trust recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to present value.

#### Employee benefit on-costs

Employee benefit on-costs such as payroll tax and workers compensation are recognised separately from the provision for employee benefits.

#### (n) Income taxes

The ATO has deemed the Trust to be a Public Authority within Section 50-25 of the *Income Tax Assessment Act 1997 (Cth)* and therefore any income shall be exempt from income tax. The Trust is not subject to the National Tax Equivalent Regime. No provisions for income taxes payable have been raised.

#### (o) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, measured at nominal value.

Contingent assets and contingent liabilities are presented inclusive of GST receivables or payables, respectively.

#### Contingent Assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

#### Contingent Liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
  - the amount of the obligations cannot be measured with sufficient reliability

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

**(p) Rounding of amounts**

Amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

**(q) Contributed capital**

Transfers from the Department of Jobs, Precincts and Regions have been treated as contributed capital.

**(r) Leased assets*****The Trust as lessor***

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

***The Trust as lessee*****Leases under AASB 16****– applicable from 1 July 2019**

From 1 July 2019, the Trust commenced recognising certain operating leases as right-of-use assets with a corresponding lease liability created by the leases. This liability is represented by a current liability and non-current liability given the duration of the leases held. In the comprehensive operating statement, the operating lease expense has been replaced by the depreciation expense of the asset and an interest charge.

Operating lease payments up until 30 June 2019 were recognised under *AASB 117 Leases* as an expense in the comprehensive operating statement, on a straight-line basis over the lease term.

**(s) Commitments**

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (see Note 14 Commitments for expenditure) at their nominal value and inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

**(t) Australian Accounting Standards issued but not yet effective**

Certain new AASs have been published that are not mandatory for the 30 June 2020 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises the Trust of their applicability and early adoption where applicable.

STANDARD	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON PUBLIC ENTITY FINANCIAL STATEMENTS
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. It applies to reporting periods beginning on or after 1 January 2020, with earlier application permitted. The Trust has not adopted the Standard early.	1 January 2020	The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASs and other publications.
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	This Standard amends AASB 101 to clarify requirements for the presenting liabilities as current or non-current in the statement of financial position.	1 January 2022	The Trust is in the process of analysing the impacts of this Standard. However, it is not anticipated that it will have a material impact.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

2. INCOME FROM TRANSACTIONS	2020 \$'000	2019 \$'000
<b>(A) SALES OF GOODS AND SERVICES</b>		
Venue hire	35,189	40,984
On-charges to hirers	23,024	27,552
Catering	12,643	24,041
Commercial	11,719	14,988
Tenancy rental	3,656	6,139
Other	4,684	6,708
	<b>90,915</b>	<b>120,412</b>
<b>(B) OTHER INCOME</b>		
Delaware North Australia capital contribution	462	513
Government grants	6,879	165
Cancelled event ticket income	5	4
	<b>7,346</b>	<b>682</b>

3. EXPENSES FROM TRANSACTIONS	NOTES	2020 \$'000	2019 \$'000
<b>(A) COST OF GOODS SOLD/DISTRIBUTED</b>			
Venue hire		1,902	3,102
Catering		4,532	12,685
Other		738	880
		<b>7,172</b>	<b>16,667</b>
<b>(B) PURCHASE OF SERVICES</b>			
Administration		4,943	4,884
Event contractors		16,801	17,704
Utilities		4,421	4,536
Other		2,243	1,987
		<b>28,408</b>	<b>29,111</b>
<b>(C) EMPLOYEE EXPENSES</b>			
Salaries, wages, annual leave and long service leave		19,647	20,631
Defined contribution superannuation expense	23	1,508	1,687
Termination benefits		16	80
		<b>21,171</b>	<b>22,398</b>
<b>(D) OTHER OPERATING EXPENSES</b>			
Maintenance		7,588	8,108
Lease expenses	13	42	272
Interest expense on leases	13	25	–
Purchase of supplies and consumables		1,786	1,685
Loss allowance		–	20
Other		1,603	156
		<b>11,044</b>	<b>10,241</b>
<b>(E) SPORTS DEVELOPMENT TRANSFER</b>			
Payment to Government for support of sport and recreation programs		3,000	3,000
		<b>3,000</b>	<b>3,000</b>

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

4. OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT	NOTES	2020 \$'000	2019 \$'000
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## (A) NET GAIN/(LOSS) ON NON-FINANCIAL ASSETS

Net gain/(loss) on disposal of property, plant and equipment (including intangible assets)		192	(4,939)
Net gain/(loss) on impairment of plant and equipment		(79)	–
		<b>113</b>	<b>(4,939)</b>

## (B) NET GAIN/(LOSS) ARISING FROM REVALUATION OF LONG SERVICE LIABILITY

Net gain/(loss) arising from revaluation of long service liability		45	138
		<b>45</b>	<b>138</b>

## 5. CASH AND CASH EQUIVALENTS

Cash floats held		84	84
Cash at bank		86,213	9,190
Cash at bank (ticket sales for future events – not available for use)	12	23,938	75,725
<b>TOTAL CASH AND CASH EQUIVALENTS</b>		<b>110,235</b>	<b>84,999</b>

6. RECEIVABLES	2020 \$'000	2019 \$'000
<b>CURRENT</b>		
<b>Contractual</b>		
Accrued revenue	425	1,069
Trade and other receivables(i)	1,744	1,918
Provision for doubtful debts(ii)	(5)	(5)
	<b>2,164</b>	<b>2,982</b>
<b>Statutory</b>		
Amount owing from Victorian Government(iii)	2,610	792
Taxes recoverable	128	916
	<b>2,738</b>	<b>1,708</b>
<b>TOTAL CURRENT RECEIVABLES</b>	<b>4,902</b>	<b>4,690</b>

- (i) Receivables are carried at nominal amounts due. The average credit period on settling of monies owed is seven days. No interest is charged on other receivables for outstanding balances;
- (ii) A provision has been made based on the expected credit loss model;
- (iii) The amounts receivable from the Victorian Government represent monies owing from Victorian Government departments or agencies relating to contributions towards capital projects, tenancies and redevelopment costs.

#### **(A) MOVEMENT IN THE PROVISION FOR DOUBTFUL DEBTS**

Balance at beginning of financial year	5	5
Balance at end of financial year	5	5

#### **(B) AGEING ANALYSIS OF RECEIVABLES**

See Table 17.3 in Note 17 for ageing analysis of receivables.

#### **(C) NATURE AND EXTENT OF RISK ARISING FROM RECEIVABLES**

See Note 17 for the nature and extent of credit risk arising from receivables.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

7. OTHER FINANCIAL ASSETS	2020 \$'000	2019 \$'000
<b>Term Deposits</b>		
Australian dollar term deposits greater than three months	2,000	74,200
<b>TOTAL OTHER FINANCIAL ASSETS</b>	<b>2,000</b>	<b>74,200</b>

## 8. PREPAYMENTS

### Current

Prepaid expenditure	594	624
Prepaid capital expenditure	103,135	64,537
	<b>103,729</b>	<b>65,161</b>

9. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS	2020 \$'000	2019 \$'000
Land at fair value (i)	1,030,062	910,000
	<b>1,030,062</b>	<b>910,000</b>
Buildings and improvements at fair value(ii)	1,105,277	1,043,426
Less accumulated depreciation	(77,345)	(53,221)
<b>NET CARRYING AMOUNT</b>	<b>1,027,932</b>	<b>990,205</b>
Plant and equipment at fair value	161,124	135,660
Less accumulated depreciation	(63,565)	(48,856)
<b>NET CARRYING AMOUNT</b>	<b>97,559</b>	<b>86,804</b>
Right-of-use assets	1,107	–
Less accumulated amortisation	(180)	–
<b>NET CARRYING AMOUNT</b>	<b>927</b>	<b>–</b>
Work in progress at cost	108,621	90,527
	<b>108,621</b>	<b>90,527</b>
Total property, plant and equipment	2,406,191	2,179,613
Less accumulated depreciation	(141,090)	(102,077)
<b>NET CARRYING AMOUNT</b>	<b>2,265,101</b>	<b>2,077,536</b>
Intangible assets	1,908	1,908
Less accumulated amortisation	(1,898)	(1,830)
<b>NET CARRYING AMOUNT</b>	<b>10</b>	<b>78</b>
<b>NET CARRYING AMOUNT PROPERTY, PLANT, EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS</b>	<b>2,265,111</b>	<b>2,077,614</b>

- (i) Land was independently revalued at 30 June 2017 as required by the *Financial Management Act 1994* and was conducted by the Valuer-General Victoria. Due to restrictions on the usage of the land, a notional discount of 50% known as 'Community Service Obligation' has been applied to the unrestricted land value. A managerial revaluation was applied this year to recognise a \$121.9 million increase in land value is covered under Note 1(b).
- (ii) Buildings, Plant & Equipment was independently revalued at 30 June 2017 as required by the *Financial Management Act 1994* and was conducted by Napier & Blakeley on behalf of the Valuer-General Victoria who have provided replacement cost and depreciated replacement cost on the inspected properties (Rod Laver Arena and surrounding grounds, Melbourne Arena, AAMI Park and Holden Centre). Work in progress relating to the redevelopment have not been included in the revaluation.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 9. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS (CONT.)

#### RECONCILIATIONS

Classification by public safety and environment purpose group movements in carrying amounts

	LAND AT FAIR VALUE	BUILDINGS AT FAIR VALUE	PLANT & EQUIPMENT AT FAIR VALUE	RIGHT- OF-USE ASSETS AT FAIR VALUE	INTANGIBLES AT FAIR VALUE	WORK IN PROGRESS AT COST	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>YEAR ENDED 30 JUNE 2020</b>							
Net carrying amount at start of year	910,000	990,205	86,804	–	78	90,527	2,077,614
Recognition of right-of-use assets on initial application of AASB 16	–	–	–	1,075	–	–	1,075
Adjusted net carrying amount at start of year	910,000	990,205	86,804	1,075	78	90,527	2,078,689
Additions	–	5,576	6,324	17	–	97,019	108,936
Transfers	–	66,626	12,299	–	–	(78,925)	–
Disposals	(1,816)	(79)	(31)	–	–	–	(1,926)
Revaluations	121,878	(3,366)	–	–	–	–	118,512
Depreciation expense	–	(31,030)	(7,837)	(165)	–	–	(39,032)
Amortisation expense	–	–	–	–	(68)	–	(68)
<b>NET CARRYING AMOUNT</b>	<b>1,030,062</b>	<b>1,027,932</b>	<b>97,559</b>	<b>927</b>	<b>10</b>	<b>108,621</b>	<b>2,265,111</b>
<b>YEAR ENDED 30 JUNE 2019</b>							
Net carrying amount at start of year	910,000	924,953	32,964	–	168	126,121	1,994,206
Additions	–	8,441	6,134	–	–	109,897	124,472
Transfers	–	91,425	54,066	–	–	(145,491)	–
Disposals	–	(4,938)	(3)	–	–	–	(4,941)
Revaluations	–	–	–	–	–	–	–
Depreciation expense	–	(29,676)	(6,357)	–	–	–	(36,033)
Amortisation expense	–	–	–	–	(90)	–	(90)
<b>NET CARRYING AMOUNT</b>	<b>910,000</b>	<b>990,205</b>	<b>86,804</b>	<b>–</b>	<b>78</b>	<b>90,527</b>	<b>2,077,614</b>

**AGGREGATE DEPRECIATION AND AMORTISATION RECOGNISED AS AN EXPENSE DURING THE YEAR(i)**

	2020 \$'000	2019 \$'000
Buildings at fair value	31,030	29,676
Plant, equipment and vehicles at fair value	7,837	6,357
Intangibles at fair value	68	90
Right-of-use assets	165	–
	<b>39,100</b>	<b>36,123</b>

(i) The useful lives of assets as stated in Note 1 are used in the calculation of depreciation and amortisation.

**FAIR VALUE MEASUREMENT HIERARCHY FOR ASSETS**

	CARRYING AMOUNT AS AT 30 JUNE 2020	FAIR VALUE MEASUREMENT AS AT 30 JUNE 2020 USING		
		LEVEL 1	LEVEL 2	LEVEL 3
	\$'000	\$'000	\$'000	\$'000
Land at fair value				
Specialised land	1,030,062	–	–	1,030,062
<b>Total of land at fair value</b>	<b>1,030,062</b>	<b>–</b>	<b>–</b>	<b>1,030,062</b>
Buildings at fair value				
Specialised buildings	1,027,932	–	–	1,027,932
<b>Total of buildings at fair value</b>	<b>1,027,932</b>	<b>–</b>	<b>–</b>	<b>1,027,932</b>
Plant, equipment and vehicles at fair value				
Vehicles	30	–	–	30
Plant and equipment	97,529	–	–	97,529
<b>Total of plant, equipment and vehicles at fair value</b>	<b>97,559</b>	<b>–</b>	<b>–</b>	<b>97,559</b>
Right-of-use assets at fair value	927	–	–	927
<b>Total of right-of-use assets at fair value</b>	<b>927</b>	<b>–</b>	<b>–</b>	<b>927</b>

	CARRYING AMOUNT AS AT 30 JUNE 2019	FAIR VALUE MEASUREMENT AS AT 30 JUNE 2020 USING		
		LEVEL 1	LEVEL 2	LEVEL 3
	\$'000	\$'000	\$'000	\$'000
Land at fair value				
Specialised land	910,000	–	–	910,000
<b>Total of land at fair value</b>	<b>910,000</b>	<b>–</b>	<b>–</b>	<b>910,000</b>
Buildings at fair value				
Specialised buildings	990,205	–	–	990,205
<b>Total of buildings at fair value</b>	<b>990,205</b>	<b>–</b>	<b>–</b>	<b>990,205</b>
Plant, equipment and vehicles at fair value				
Vehicles	76	–	–	76
Plant and equipment	86,728	–	–	86,728
<b>Total of plant, equipment and vehicles at fair value</b>	<b>86,804</b>	<b>–</b>	<b>–</b>	<b>86,804</b>

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 9. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS (CONT.)

#### RECONCILIATIONS

##### Specialised land and specialised buildings

The market approach is used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset, to the extent that is also equally applicable to market participants.

This approach is in light of the 'highest and best use' consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

The depreciated replacement cost method is used for specialised buildings. As depreciation adjustments are considered significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Trust's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2017. A managerial revaluation was applied this year to recognise a \$121.9 million increase in land value is covered under Note 1(b). The next scheduled full revaluation for this purpose group will be conducted in 2021-22.

##### Vehicles

Vehicles are valued using the depreciated replacement cost method, which approximates fair value. The Trust acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed within the Trust. Depreciation rates are set to reflect the utilisation of the vehicles.

##### Plant and equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method. The annual fair value assessment did not identify any material movement to the fair value of this asset class.

##### Right-of use assets

Right-of-use assets are held at fair value as 'property plant equipment'.

There were no changes in valuation techniques throughout the period to 30 June 2020.

For all assets measured at fair value, the current use is considered the highest and best use.

**RECONCILIATION OF LEVEL 3 FAIR VALUE**

<b>2020</b>	<b>SPECIALISED LAND</b>	<b>SPECIALISED BUILDINGS</b>	<b>VEHICLES</b>	<b>PLANT AND EQUIPMENT</b>	<b>RIGHT-OF-USE ASSETS</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance	910,000	990,205	76	86,728	–
Recognition of right-of-use assets on initial application of AASB 16	–	–	–	–	1,075
Adjusted opening balance	910,000	990,205	76	86,728	1,075
Purchases (sales)	(1,816)	72,202	–	18,623	17
Transfers in (out) of Level 3	–	–	–	–	–
<b>Gains or losses recognised in net result</b>					
Depreciation	–	(31,030)	(46)	(7,791)	(165)
Net gain/(loss) on disposal of property, plant and equipment	–	(79)	–	(31)	–
<b>SUBTOTAL</b>	<b>(1,816)</b>	<b>41,093</b>	<b>(46)</b>	<b>10,801</b>	<b>(148)</b>
<b>Gains or losses recognised in 'other economic flows – other comprehensive income'</b>					
Revaluation	121,878	(3,366)	–	–	–
<b>SUBTOTAL</b>	<b>121,878</b>	<b>(3,366)</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>CLOSING BALANCE</b>	<b>1,030,062</b>	<b>1,027,932</b>	<b>30</b>	<b>97,529</b>	<b>927</b>

<b>2019</b>	<b>SPECIALISED LAND</b>	<b>SPECIALISED BUILDINGS</b>	<b>VEHICLES</b>	<b>PLANT AND EQUIPMENT</b>	<b>RIGHT-OF-USE ASSETS</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening Balance	910,000	924,954	117	32,847	–
Purchases (sales)	–	99,866	–	60,200	–
Transfers in (out) of Level 3	–	–	–	–	–
<b>Gains or losses recognised in net result</b>					
Depreciation	–	(29,676)	(38)	(6,319)	–
Net gain/(loss) on disposal of property, plant and equipment	–	(4,938)	(3)	–	–
<b>SUBTOTAL</b>	<b>–</b>	<b>65,252</b>	<b>(41)</b>	<b>53,881</b>	<b>–</b>
<b>Gains or losses recognised in 'other economic flows – other comprehensive income'</b>					
Revaluation	–	–	–	–	–
<b>SUBTOTAL</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>CLOSING BALANCE</b>	<b>910,000</b>	<b>990,205</b>	<b>76</b>	<b>86,728</b>	<b>–</b>

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

## 9. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS (CONT.)

### DESCRIPTION OF SIGNIFICANT UNOBSERVABLE INPUTS TO LEVEL 3 VALUATIONS

	VALUATION TECHNIQUE	VALUATION TECHNIQUE SIGNIFICANT UNOBSERVABLE INPUTS
Specialised land	Market value adjusted for CSO	<ul style="list-style-type: none"> <li>Land price per square metre</li> <li>CSO obligation</li> </ul>
Rod Laver Arena and Melbourne Park	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of the structure, shell and building fabric; site engineering services and central plant; fit-outs; and trunk reticulated building systems</li> <li>Replacement cost per square metre and per unit of plant. This reflects the cost of replacing the building to its current condition, taking into account its age</li> </ul>
Melbourne Arena	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of the structure, shell and building fabric; site engineering services and central plant; fit-outs; and trunk reticulated building systems</li> <li>Replacement cost per square metre and per unit of plant. This reflects the cost of replacing Melbourne Arena to its current condition, taking into account its age</li> </ul>
Margaret Court Arena	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of the structure, shell and building fabric; site engineering services and central plant; fit-outs; and trunk reticulated building systems</li> <li>Replacement cost per square metre and per unit of plant. This reflects the cost of replacing Margaret Court Arena to its current condition, taking into account its age</li> </ul>
AAMI Park	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of the structure, shell and building fabric; site engineering services and central plant; fit-outs; and trunk reticulated building systems</li> <li>Replacement cost per square metre and per unit of plant. This reflects the cost of replacing AAMI Park to its current condition, taking into account its age</li> </ul>
Holden Centre	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of the structure, shell and building fabric; site engineering services and central plant; fit-outs; and trunk reticulated building systems</li> <li>Replacement cost per square metre and per unit of plant. This reflects the cost of replacing Holden Centre to its current condition, taking into account its age</li> </ul>
Building refurbishments	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Useful life of a fit-out of items in the building with fairly long life spans, such as guardrails, catwalks, seating, tracks, and non-electronic sporting-specific items</li> <li>Useful life of soft items within the building including carpets, lighting, wall fixtures, furniture, and fittings that cannot be readily separated from the initial building purchase</li> </ul>
Vehicles	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Cost per unit</li> <li>Useful life of vehicles</li> </ul>
Plant and equipment	Depreciated replacement cost	<ul style="list-style-type: none"> <li>Cost per unit</li> <li>Useful life of plant and equipment</li> </ul>
Right-of-use assets	Depreciated replacement cost.	<ul style="list-style-type: none"> <li>The lower of the asset useful life or lease term</li> </ul>

## 10. PAYABLES

	2020 \$'000	2019 \$'000
<b>CURRENT</b>		
<b>Contractual</b>		
Trade creditors(i)	22	1,087
Event settlements	96	663
Other payables	1,345	662
Accrued expenses	2,251	7,652
	<b>3,714</b>	<b>10,064</b>
<b>Statutory</b>		
Taxes payable	10	–
<b>TOTAL CURRENT PAYABLES</b>	<b>3,724</b>	<b>10,064</b>

(i) The average credit period is 30 days. No interest is charged on other payables for the first 30 days from the date of invoice. Payables are generally paid within the payment period thereby avoiding any interest charges that may be incurred on late payments.

**(a) Maturity analysis of payables**

See Table 17.5 in Note 17 for the ageing analysis of payables.

**(b) Nature and extent of risk arising from payables**

See Note 17 for the nature and extent of risks arising from payables.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

11. PROVISIONS	2020 \$'000	2019 \$'000
<b>CURRENT PROVISIONS</b>		
<b>Annual leave</b>		
Unconditional and expected to be settled within 12 months(i)	423	380
Unconditional and expected to be settled after 12 months(ii)	510	423
<b>Long service leave</b>		
Unconditional and expected to be settled within 12 months(i)	1,400	1,539
Unconditional and expected to be settled after 12 months(ii)	996	1,161
	<b>3,329</b>	<b>3,503</b>
<b>Provisions for on-costs</b>		
Unconditional and expected to be settled within 12 months(i)	286	304
Unconditional and expected to be settled after 12 months(ii)	241	255
	<b>527</b>	<b>559</b>
<b>TOTAL CURRENT PROVISIONS</b>	<b>3,856</b>	<b>4,062</b>
<b>NON-CURRENT PROVISIONS</b>		
Long service leave(ii)	261	203
On-costs(ii)	39	31
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>300</b>	<b>234</b>
<b>TOTAL PROVISIONS</b>	<b>4,156</b>	<b>4,296</b>

(i) Amounts disclosed are nominal amounts.

(ii) Amounts disclosed are discounted to present values.

<b>(A) EMPLOYEE BENEFITS AND ON-COSTS</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>CURRENT EMPLOYEE BENEFITS</b>		
Annual leave	933	803
Long service leave	2,396	2,700
<b>NON-CURRENT EMPLOYEE BENEFITS</b>		
Long service leave	261	203
<b>TOTAL EMPLOYEE BENEFITS</b>	<b>3,590</b>	<b>3,706</b>
<b>TOTAL ON-COSTS</b>		
Current on-costs	527	559
Non-current on-costs	39	31
<b>TOTAL ON-COSTS</b>	<b>566</b>	<b>590</b>
<b>TOTAL EMPLOYEE BENEFITS AND ON-COSTS</b>	<b>4,156</b>	<b>4,296</b>
<b>(B) MOVEMENT IN ON-COST PROVISIONS</b>		
Opening balance	590	523
Additional provisions recognised	172	228
Reductions arising from payments/other sacrifices of future economic benefits	(190)	(160)
Reductions resulting from re-measurement or settlement without cost	(13)	(23)
Unwind of discount and effect of changes in the discount rate	7	22
<b>CLOSING BALANCE</b>	<b>566</b>	<b>590</b>
<b>TOTAL ON-COSTS</b>		
Current	527	559
Non-current	39	31
<b>CLOSING BALANCE</b>	<b>566</b>	<b>590</b>

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

12. OTHER LIABILITIES	NOTES	2020 \$'000	2019 \$'000
Income received in advance		8,654	6,218
Ticket sales for future events	5	23,938	75,724
Lease liability		947	–
		<b>33,539</b>	<b>81,942</b>

## 13. LEASES

### Leasing activities as a lessee

The Trust leases machinery and equipment, which includes forklifts and boom lifts. The lease contracts are typically made for fixed periods of five years with an option to renew the lease after that date. Lease payments for this machinery are renegotiated every five years to reflect market rental.

The following amounts are recognised in the comprehensive operating statement relating to leases.

Interest expense on lease liabilities	25	–
Expenses relating to low value leases(i)	42	61
	<b>67</b>	<b>61</b>

(i) Leases of IT equipment with contract terms of 1-3 years which are low-value items (less than \$10,000), so the Trust has elected not to recognise right-of-use assets and lease liabilities for these leases.

### Leasing activities as a lessor

#### Leasing arrangements

Operating lease receivables relate to tenancies within the Trust's precinct with varying lease terms up to 2036.

#### Operating lease receivables

Receivable no later than one year	2,230	6,291
Longer than one year and not longer than five years	17,689	18,044
Longer than five years	43,779	48,892
	<b>63,699</b>	<b>73,227</b>

## 14. COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

### (a) Funding commitments

The Trust has funding commitments of \$49.5 million, which mostly comprise a remaining \$46.5 million contribution towards Stage 3 of the Melbourne Park Redevelopment, which will be fully paid by February 2022. The Trust will also be making a sports development transfer of \$3 million in 2020–21 for promoting sports and recreation across Victoria.

	2020 \$'000	2019 \$'000
Less than one year	45,000	17,000
Longer than one year and not longer than five years	4,500	29,000
Less GST recoverable	–	–
	<b>49,500</b>	<b>46,000</b>

### (b) Capital expenditure commitments

The Trust has nil capital commitments as at 30 June 2020 (2019: \$nil).

### (c) Operating expenditure commitments

The Trust has \$13.319 million in commitments for operating expenditure relating to agreements for mechanical, electrical and fire services at the date of this report (2019: \$2.905 million).

Payable no later than one year	3,288	2,220
Longer than one year and not later than five years	10,031	685
	<b>13,319</b>	<b>2,905</b>

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 15. CONTINGENT ASSETS

There is a contingent asset in relation to Collingwood Football Club's ground lease at Olympic Park. In December 2013, the Collingwood Football Club was granted permission by the Trust for the construction of the Olympic Park Community Facility on the Trust's land. Ownership of improvements to the land and any buildings will transfer to the Trust upon expiration of the current lease on 31 May 2033.

### 16. CONTINGENT LIABILITIES

The Trust has no contingent liabilities at the date of this report (2019: \$nil).

### 17. FINANCIAL INSTRUMENTS

The Trust's principal financial instruments comprise:

- cash assets;
- term deposits;
- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- lease liabilities

Details of the significant accounting policies and methods adopted – including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument – are disclosed in Note 1 to the financial statements.

The main purpose of holding financial instruments is to prudentially manage the Trust's financial risks within government policy parameters.

The Trust's main financial risks include credit risk, liquidity risk and interest rate risk. The Trust manages these risks in accordance with its treasury policy.

Primary responsibility for identifying and managing financial risks rests with the Trust's Finance, Audit and Risk Committee.

**TABLE 17.1: CATEGORISATION OF FINANCIAL INSTRUMENTS**

2020	NOTES	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
		\$'000	\$'000	\$'000
<b>Financial assets(i)</b>				
Cash and cash equivalents	5	86,297	–	86,297
Cash held on behalf of customers		23,938	–	23,938
<b>TOTAL CASH</b>		<b>110,235</b>	<b>–</b>	<b>110,235</b>
<b>Receivables(i)</b>				
Total receivables	6	1,744	–	1,744
<b>Investments and other financial assets</b>				
Term deposits	7	2,000	–	2,000
<b>TOTAL FINANCIAL ASSETS</b>		<b>113,979</b>	<b>–</b>	<b>113,979</b>
<b>Financial liabilities</b>				
<b>Payables(i)</b>				
Payables	10	–	1,463	1,463
Lease liabilities	12	–	947	947
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>–</b>	<b>2,410</b>	<b>2,410</b>

(i) The amount of receivables and payables disclosed excludes statutory amounts, such as amounts owing from the Victorian Government, GST input tax credits recoverable and taxes payable.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

## 17. FINANCIAL INSTRUMENTS (CONT.)

**TABLE 17.1: CATEGORISATION OF FINANCIAL INSTRUMENTS (CONT.)**

2019	NOTES	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
		\$'000	\$'000	\$'000
<b>Financial assets(i)</b>				
Cash and cash equivalents	5	9,274	–	9,274
Cash held on behalf of customers		75,725	–	75,725
<b>TOTAL CASH</b>		<b>84,999</b>	<b>–</b>	<b>84,999</b>
<b>Receivables(i)</b>				
Total receivables	6	2,987	–	2,987
<b>Investments and other financial assets</b>				
Term deposits	7	74,200	–	74,200
<b>TOTAL FINANCIAL ASSETS</b>		<b>162,186</b>	<b>–</b>	<b>162,186</b>
<b>Financial liabilities</b>				
<b>Payables(i)</b>				
Payables	10	–	2,412	2,412
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>–</b>	<b>2,412</b>	<b>2,412</b>

(i) The amount of receivables and payables disclosed excludes statutory amounts, such as amounts owing from the Victorian Government, GST input tax credits recoverable and taxes payable.

**TABLE 17.2: CREDIT QUALITY OF FINANCIAL ASSETS**

2020	GOVERNMENT AGENCIES (AAA CREDIT RATING)	OTHER (MINIMUM AAA CREDIT RATING)	TOTAL
	\$'000	\$'000	\$'000
Cash and cash equivalents	–	86,297	86,297
Cash held on behalf of customers	17,919	6,019	23,938
Receivables(i)	–	1,744	1,744
Investments and other financial assets	–	2,000	2,000
<b>TOTAL FINANCIAL ASSETS</b>	<b>17,919</b>	<b>96,060</b>	<b>113,979</b>
<b>2019</b>			
Cash and cash equivalents	5,093	4,182	9,275
Cash held on behalf of customers	2,305	73,420	75,725
Receivables(i)	–	2,987	2,987
Investments and other financial assets	72,200	2,000	74,200
<b>TOTAL FINANCIAL ASSETS</b>	<b>79,598</b>	<b>82,589</b>	<b>162,187</b>

(i) The amount of receivables and payables disclosed excludes statutory amounts, such as amounts owing from Victorian Government, GST input tax credits recoverable and taxes payable.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 17. FINANCIAL INSTRUMENTS (CONT.)

#### *Financial assets either past due or impaired*

As at the reporting date, there is no event to indicate that any of the financial assets are impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts indicated.

**TABLE 17.3: AGEING ANALYSIS OF FINANCIAL ASSETS**

	CARRYING AMOUNT	NOT PAST DUE AND NOT IMPAIRED	PAST DUE BUT NOT IMPAIRED			
			LESS THAN 1 MONTH	1-3 MONTHS	3 MONTHS - 1 YEAR	1-5 YEARS
<b>30 JUNE 2020</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	86,297	86,297				
Term deposits	2,000	2,000				
Receivables(i)	1,744	112	1,063	290	279	-
	<b>90,041</b>	<b>88,409</b>	<b>1,063</b>	<b>290</b>	<b>279</b>	<b>-</b>
<b>30 JUNE 2019</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	9,275	9,275				
Term deposits	74,200	74,200				
Receivables(i)	2,987	1,781	933	172	101	-
	<b>86,462</b>	<b>85,256</b>	<b>933</b>	<b>172</b>	<b>101</b>	<b>-</b>

(i) Ageing analysis of financial assets excludes statutory financial assets, such as amounts owing from the Victorian Government and GST input tax credits recoverable.

**TABLE 17.4: INTEREST RATE EXPOSURE OF FINANCIAL ASSETS**

	WEIGHTED AVERAGE INTEREST RATE	CARRYING AMOUNT	INTEREST RATE EXPOSURE		
			FIXED INTEREST RATE	VARIABLE INTEREST RATE	NON- INTEREST BEARING
<b>30 JUNE 2020</b>	%	\$'000	\$'000	\$'000	\$'000
<b>Cash and cash equivalents</b>					
Cash floats held	–	84	–	–	84
Cash at bank	0.67	86,213	–	86,213	–
Term deposits over 90 days	1.02	2,000	2,000	–	–
Cash at bank (ticket sales for future events – not available for use)	0.51	23,938	–	23,938	–
Receivables(i)	–	1,744	–	–	1,744
		<b>113,979</b>	<b>2,000</b>	<b>110,151</b>	<b>1,828</b>
Payables	–	1,463	–	–	1,463
Lease liabilities	2.29	947	947	–	–
		<b>2,410</b>	<b>947</b>	<b>–</b>	<b>1,463</b>
<b>30 JUNE 2019</b>	%	\$'000	\$'000	\$'000	\$'000
<b>Cash and cash equivalents</b>					
Cash floats held	–	84	–	–	84
Cash at bank	1.13	7,815	–	7,815	–
Term deposits over 90 days	1.91	75,575	75,575	–	–
Cash at bank (ticket sales for future events – not available for use)	2.35	75,725	–	75,725	–
Receivables	–	2,987	–	–	2,987
		<b>162,186</b>	<b>75,575</b>	<b>83,540</b>	<b>3,071</b>
Payables	–	2,412	–	–	2,412
		<b>2,412</b>	<b>–</b>	<b>–</b>	<b>2,412</b>

(i) Ageing analysis of financial assets excludes statutory financial assets (e.g.: amounts owing from Victorian Government and GST input tax credits recoverable).

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

## 17. FINANCIAL INSTRUMENTS (CONT.)

**TABLE 17.5: MATURITY ANALYSIS OF FINANCIAL LIABILITIES**

	CARRYING AMOUNT	NOMINAL AMOUNT	MATURITY DATES			
			LESS THAN 1 MONTH	1-3 MONTHS	3 MONTHS - 1 YEAR	1-5 YEARS
<b>30 JUNE 2020</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables(i)	1,463	1,463	1,463	–	–	–
Lease liabilities	947	947	15	30	136	766
	<b>2,410</b>	<b>2,410</b>	<b>1,478</b>	<b>30</b>	<b>136</b>	<b>766</b>
<b>30 JUNE 2019</b>	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables(i)	2,412	2,412	1,863	255	293	–
	<b>2,412</b>	<b>2,412</b>	<b>1,863</b>	<b>255</b>	<b>293</b>	<b>–</b>

(i) The carrying amounts disclosed exclude statutory amounts, such as amounts payable to the Victorian Government and taxes payable.

## 18. CASH FLOW INFORMATION

<b>(A) RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>	2020 \$'000	2019 \$'000
Total cash and deposits disclosed in Note 5	110,235	84,999
<b>BALANCE AS PER CASH FLOW STATEMENT</b>	<b>110,235</b>	<b>84,999</b>
<b>(B) RECONCILIATION OF NET RESULT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net result for the financial year	(10,695)	270
<b>Add/(Less) non-cash movements</b>		
Depreciation and amortisation of non-current assets	39,100	36,123
Net (gain)/loss on disposal of non-financial assets	(113)	4,939
<b>Movements in assets and liabilities</b>		
(Increase)/decrease in current receivables	(212)	(224)
(Increase)/decrease in other current assets	(38,568)	(27,683)
(Decrease)/increase in current payables	(2,358)	(3,785)
(Decrease)/increase in current provisions	(206)	778
(Decrease)/increase in other current liabilities	(48,223)	(2,758)
(Decrease)/increase in non-current provisions	66	(67)
 <b>NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>	 <b>(61,209)</b>	 <b>7,593</b>

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 19. RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

#### Names

The persons who held the positions of Ministers and Accountable Officers for the Trust are as follows:

#### Responsible Minister

The Honourable Martin Pakula MP	(1 July 2019 to 30 June 2020)
Minister for Tourism, Sport and Major Events	
Minister for Racing	
Minister for Jobs, Innovation and Trade	

#### Trust

Mr Russell Caplan (Chair)	(1 July 2019 to 30 June 2020)
Ms Jacinda Dixon	(1 July 2019 to 30 June 2020)
Mr Patrick Flannigan	(1 July 2019 to 30 June 2020)
Ms Catherine Friday	(1 July 2019 to 30 June 2020)
Mr Mark Hawthorne	(1 July 2019 to 30 June 2020)
Ms Jayne Hrdlicka	(1 July 2019 to 30 June 2020)
Ms Diana Nicholson	(1 July 2019 to 30 June 2020)
Mr John Ribot-de-Bresac	(1 July 2019 to 30 June 2020)
Mr Kenneth Roche, AO	(1 July 2019 to 30 June 2020)
Ms Liberty Sanger*	(1 July 2019 to 30 June 2020)
Ms Emma Sherry	(1 July 2019 to 30 June 2020)
Ms Janice van Reyk	(1 July 2019 to 30 June 2020)

\*Liberty Sanger took a leave of absence from her duties as a Trustee from July 2019 to October 2019 (Inclusive), including not attending Trust meetings.

#### Accountable Officers

Mr Brian Morris (Trust Secretary & Chief Executive Officer)	(1 July 2019 to 31 July 2019)
Mr John Harnden AM (Trust Secretary & Chief Executive Officer)	(5 August 2019 to 30 June 2020)

The transition phase of the Accountable Officers meant there was a short vacancy period from 1 August 2019 to 4 August 2019.

### Remuneration

Total remuneration (including incentive payments) received or receivable by the Accountable Officers in connection with the management of the Trust during the reporting period was in the range of \$530,000 - \$539,999 (2018-19: \$500,000 - \$509,999). Other entitlements received by the outgoing Accountable Officer during the reporting period was in the range of \$210,000 - \$219,999 (2018-19: \$0).

Trustees did not receive any remuneration from the

Trust during the financial year. (2018-19: \$0).

A total of 516 tickets were used by Trustees for events held on the Trust's premises during the year, provided free of charge, with a retail value of \$86,934 (2019: 831 tickets with a retail value of \$115,897).

Amounts relating to the Responsible Minister is reported within the Department of Parliamentary Services Financial Report.

## 20. REMUNERATION OF EXECUTIVES

The number of executive officers and employees with management responsibilities (other than the Responsible Minister and Accountable Officer) and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

The executive structure was expanded during the year to include the role of Director of Communications & Stakeholder Relations appointed in January 2020. This was the replacement of an existing role, with additional responsibilities elevating it to the executive level.

REMUNERATION OF EXECUTIVE OFFICERS	2020 \$'000	2019 \$'000
Short-term employee benefits	919	801
Post-employment benefits	68	57
Other long-term benefits	23	20
Termination benefits	0	0
<b>TOTAL REMUNERATION<sup>(a)</sup></b>	<b>1,010</b>	<b>878</b>
<b>TOTAL NUMBER OF EXECUTIVES</b>	<b>4.0</b>	<b>3.0</b>
<b>TOTAL ANNUALISED EMPLOYEE EQUIVALENTS<sup>(a)</sup></b>	<b>3.4</b>	<b>2.9</b>

(a) Annualised employee equivalent is based on the time fraction worked over the reporting period.

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 21. RELATED PARTIES

The Trust is a wholly owned and controlled entity of the State of Victoria. The assessment of Related parties of the Trust included:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all public sector entities that are controlled and consolidated into the State of Victoria Financial Statements.

All related party transactions have been entered into on an arm's length basis.

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly.

Key management personnel of the Trust include the Portfolio Minister, the Honourable Martin Pakula MP, Trustees, Chief Executive Officer and members of the executive as per Note 20.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report.

#### COMPENSATION OF KMPS

	2020 \$'000	2019 \$'000
Short-term employee benefits <sup>(a)</sup>	1,429	1,290
Post-employment benefits	89	78
Other long-term benefits	35	31
Termination benefits	0	0
<b>TOTAL</b>	<b>1,553</b>	<b>1,399</b>

The increase in remuneration of KMPs was partly due to the final entitlements payable to the outgoing Chief Executive Officer in July 2019. This increase was also attributed to the additional position which formed part of the executive structure as at 30 June 2020.

(a) Total KMP remuneration is related to the accountable officer and members of the executive, as Trustees are not remunerated (Note 19).

### Significant transactions with government-related entities

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

The Trust received Redevelopment funding of \$119.9 million during the year (2019: \$129.7 million) from Department of Jobs, Precincts & Regions (DJPR). Total funding received during the year was onpassed to Development Victoria in their capacity as project manager of the Melbourne Park Redevelopment. DJPR also provided funding of \$6.5 million during the year as contribution toward enhancements to infrastructure at Melbourne Arena.

Funding by the Trust to government entities outside of the redevelopment have been referred to in Note 3e, which includes State Sports Centre Trust and Sport and Recreation Victoria.

As part of the Streamlining Hoddle Street Project, the Department of Transport acquired a section of land from the Trust during the year. This parcel of land on the northern edge of Olympic Boulevard was acquired for \$2.015 million.

### Transactions and balances with key management personnel and other related parties

Commercial dealings were undertaken during the reporting period with Tennis Australia, Citywide Services, Tennis Victoria, and Swinburne University of Technology, all of which have representatives holding positions as Trustees on the Melbourne & Olympic Parks Trust.

#### *Tennis Australia*

Ms Jayne Hrdlicka holds a position on the Melbourne & Olympic Parks Trust and also holds the position of President of Tennis Australia. Ms Janice van Reyk holds a position on the Melbourne & Olympic Parks Trust and also holds the position of director with Tennis Australia. Tennis Australia promotes the Australian Open event, operates a court hire business on the Trust's premises and also rents office space from the Trust.

The Trust invoiced Tennis Australia \$44,097,690 in 2019-20 (\$48,404,058 in 2018-19) and as at 30 June 2020, Tennis Australia owed the Trust \$414,494 (\$292,508 in 2018-19).

#### *Citywide Services*

Ms Janice van Reyk is also a director at Citywide Services. At various stages throughout the year Citywide provided services to the Trust in the form of traffic management for event days at AAMI Park.

During 2019-20, the Trust paid \$17,805 to Citywide (\$26,927 in 2018-19) for traffic management services provided to the Trust.

#### *Tennis Victoria*

Ms Emma Sherry holds a position on the Melbourne & Olympic Parks Trust and also holds the position of President of Tennis Victoria. Tennis Victoria rents office space on the Trust's premises and purchase related services from the Trust.

During 2019-20, the Trust invoiced Tennis Victoria \$129,461 (\$212,896 in 2018-19) and as at 30 June 2020, Tennis Victoria owed the Trust \$19,831 (\$20,710 in 2018-19).

#### *Swinburne University of Technology*

Ms Emma Sherry also holds the position of Department Chair at Swinburne University of Technology. During the year, Swinburne University acquired services from the Trust in the form of a corporate function held at an NBL game at Melbourne Arena.

During 2019-20, Swinburne University paid \$14,066 to the Trust for this corporate function held on the Trust's premises.

There are no other receivable amounts or loans outstanding in relation to related parties, as at 30 June 2020 (\$nil in 2018-19).

# Notes to the financial statements

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

### 22. REMUNERATION OF AUDITORS

Audit fees paid or payable to the Victorian Auditor-General's Office (VAGO) for the audit of the Trust's financial report.

	2020 \$'000	2019 \$'000
Audit of the financial statements - VAGO	85	63
	<b>85</b>	<b>63</b>

### 23. EMPLOYEE SUPERANNUATION

Superannuation contributions for the reporting period are included as part of employee benefits and on-costs in the Comprehensive Operating Statement of the Trust.

The name and details of the major employee superannuation funds and contributions made by the Trust during the reporting period are as follows.

	2020 \$'000	2019 \$'000
AustralianSuper	746	835
Hostplus	193	188
Retail Employees Superannuation Pty Ltd	101	117
Others	468	547
<b>TOTAL</b>	<b>1,508</b>	<b>1,687</b>

At the reporting date, superannuation contributions outstanding were \$109,910 (2019: \$nil).

### 24. SUBSEQUENT EVENTS

No material or significant events occurred after the reporting date.

## 25. GLOSSARY OF TERMS

### *Cash and cash equivalents*

Cash and cash equivalents is petty cash, cash floats, deposits in bank accounts, bank overdrafts and short-term deposits (up to 90 days).

### *Comprehensive result*

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

### *Commitments*

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

### *Delaware North Australia Sinking Fund*

Refers to an account managed jointly by the Trust and the Trust's caterer (Delaware North Australia) and is used for the replacement or improvement of catering equipment or infrastructure.

### *Employee benefits expense*

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

### *Financial asset*

A financial asset is any asset that is:

- (a) Cash and cash equivalents;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

### *Financial instrument*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

### *Financial liability*

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
  - (i) To deliver cash or another financial asset to another entity; or
  - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
  - (i) A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

### *Financial statements*

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (September 2007), which means it may include the main financial statements and the notes.

# Notes to the financial statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

## 25. GLOSSARY OF TERMS (CONT.)

### *Grants*

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

### *Intangible assets*

Intangible assets represent identifiable non-monetary assets without physical substance.

### *Interest expense*

Costs incurred in connection with the borrowing of funds interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

### *Interest income*

Interest income includes interest received on bank term deposits, interest from investments and other interest received.

### *Leases*

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

### *Net acquisition of non-financial assets (from transactions)*

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

### *Net result*

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as other non-owner changes in equity.

### *Net result from transactions (net operating balance)*

Net result from transactions or net operating balance is a key fiscal aggregate and is income from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions.

### *Non-financial assets*

Non-financial assets are all assets that are not 'financial assets'.

*Other economic flows included in net result*

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets; and
- gains and losses arising from revaluation of long service leave liability.

*Other economic flows – other comprehensive income*

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows other comprehensive income include:

- changes in physical asset revaluation surplus.

*Payables*

Includes short and long term trade debt and accounts payable, grants, taxes and interest payable.

*Receivables*

Includes amounts owing from government through appropriation receivable, short and long term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

*Sales of goods and services*

Refers to revenue from direct provision of goods and services and includes fees and charges for services rendered and sales of goods and services.

*Transactions*

Transactions are those economic flows that interact between two entities by mutual agreement.

*Style Conventions*

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notion used in the tables is as follows:

–	zero, or rounded to zero
(xxx)	negative numbers
20xx	year
20xx-xx	year period

# Declaration in the financial statements

In accordance with a resolution of the members of the Melbourne & Olympic Parks Trust in our opinion:

The financial statements for the Trust have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the

financial transactions during the year ended 30 June 2020 and financial position of the Trust at 30 June 2020.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 28 October 2020.



**Russell Caplan**  
Member of Responsible Body  
Chair  
Melbourne & Olympic Parks Trust



**John Harnden AM**  
Accountable Officer  
Chief Executive Officer  
Melbourne & Olympic Parks Trust



**Travis Mardling**  
Chief Financial Officer  
Melbourne & Olympic Parks Trust



## Independent Auditor's Report

### To the Trustees of the Melbourne and Olympic Parks Trust

<b>Opinion</b>	<p>I have audited the financial report of the Melbourne and Olympic Parks Trust (the trust) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2020</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the trust as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Trustees' responsibilities for the financial report</b>	<p>The Trustees of the trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trustees are responsible for assessing the trust'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 it is inappropriate to do so.</p>

**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees
- conclude on the appropriateness of the Trustees' 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 trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the trust 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.

I communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE  
28 October 2020



Simone Bohan  
*as delegate for the Auditor-General of Victoria*

# Disclosure Index

The Annual Report of Melbourne & Olympic Parks Trust is prepared in accordance with all Victorian Legislation. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

## MINISTERIAL DIRECTIONS

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## LEGISLATION

*Audit Act 1994*

*Building Act 1993*

*Crown Land (Reserves) Act 1978*

*Disability Act 2006*

*Financial Management Act 1994*  
(including Standing Directions)

*Freedom of Information Act 1982*

*Melbourne and Olympic Parks Act 1985 (amended)*

*Occupational Health and Safety Act 2004*

*Public Interest Disclosure Act 2012*

*Public Administration Act 2004*

*Local Jobs First Act 2003*

*Victorian Managed Insurance Authority Act 1996*

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2019–20  
Annual  
Report

MELBOURNE  OLYMPIC PARKS

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