



MELBOURNE CRICKET GROUND TRUST

ANNUAL REPORT 2014/15



TRUSTEES OF THE MCG TRUST

Mr. Robert N Herbert AM (Chairman)

Mr. Ian Carson

The Hon. Peter Costello AC

Ms. Jane Fenton AM

The Hon. Patrick McNamara

Mr. Dale Monteith

Mr. Paul O'Malley (Appointed October 2014)

Ms. Kathryn (Kate) Palmer (Retired February 2015)

Ms. Stephanie Reeves (Appointed October 2014)

Mr. Anthony Stewart (Retired May 2014)

WORLD CRICKET CUP – THE HIGHLIGHT OF THE YEAR

It has been a successful year for the MCG, the highlight being the hosting of ICC Cricket World Cup matches including the final which Australia won against New Zealand in front of an Australian record attendance for a single day of cricket of 93,013. This was sweet revenge for Australia after our New Zealand World Cup co-hosts won the first encounter at Eden Park in a thrilling finish.

It was an outstanding series all round with five matches at the MCG, including the competition opening game between Australia and England. Fourteen countries participated in 49 matches conducted around Australia and in New Zealand. Attendances exceeded expectations – just on 350,000 patrons filed through the MCG turnstiles. International audiences topped the one billion mark, with the attributes of the MCG and Melbourne on display to the cricketing world.

Perhaps the most enthusiastic patrons of all were at the 'G' for the India V South Africa clash and Sri Lanka V Bangladesh, both games producing memorable and colourful scenes, charged with patriotism from the local and visiting fans.

Having been completely resurfaced following the 2014 AFL season, the MCG playing surface was in outstanding shape for the commencement of cricket commitments in November extending through to the final ball of the World Cricket Cup tournament late in March. Then, just four days later the 'G' was again transformed for the opening round of the 2015 AFL season. This was a miraculous turnaround by our ground staff – how fortunate we are!

THE BIG BASH – A GREAT FAMILY EVENT

On the domestic cricketing front, one cannot help but be impressed by the strong patronage from families at the KFC 20/20 'Big Bash League'. A winning formula is developing attracting almost 30,000 spectators for each encounter. There is great crowd engagement especially for the kids, and of course, plenty of noise. With hefty reductions in food prices for the up-coming season, the appeal for families will continue to grow.

There was a feast of cricket at the MCG during the 2014/15 season, so perhaps it was not surprising that crowd records, though healthy, were not broken in the our other international matches against India and South Africa.

THE MCG – THE HOME TO AFL

While crowd attendances tend to fluctuate slightly from year to year, the MCG is truly the home to AFL football. Two and a half million fans came to the ground, with an average of 78,000 for the finals, including 99,000 for the Grand Final. It was an emphatic win for Hawthorn.

Relations between the MCC and the AFL were strengthened with quite momentous agreements being finalised on ground advertising and food pricing. An element of the new advertising arrangement is to restrict growth in the promotion of gaming at the ground, a move which has popular support. The new AFL CEO, Gillon McLachlan, took up his post in April 2014 and he has quickly made his mark.

The AFL is the dominant sport at the MCG. This requires great attention to detail from the Trust and MCC as Ground Manager. There is a strong financial commitment to ensure the MCG is the 'smart stadium'. New vision boards are part of this, as is LED illumination, extensive Wi-Fi coverage and home team promotions featuring a splash of club colours. The rejuvenated Southern Stand is offering AFL patrons substantially improved facilities. The AFL and its clubs have provided MCG patrons with another year of enjoyment and is a highly valued partner for the ground.

GROUND IMPROVEMENTS ATTRACTING ALL COMERS

The MCG surrounds, Yarra Park in particular, are taking on a new greener look through our water treatment facilities and as other landscaping refurbishments kick in. The Energy Performance Contract, soon to be completed, is also contributing to more efficient energy use at the ground.

Significantly, the MCC is funding a feasibility study into possible decking across the rail lines, to link up with the Melbourne Olympic Park precinct, to further enhance the entire area and generally improve ground accessibility.

These improvements are all designed to maintain the MCG's iconic status. It will ensure other sporting contests – soccer and the rugby codes – schedule matches to attract maximum attendances. Successful negotiations for the Soccer International Champions Cup and the 'State of Origin' Rugby League contest will enthral crowds in the coming year. Opening the ground for non-sporting events such as the 'Stadium Stomp' and 'Run to the G' also create the opportunity for a wider audience to experience the wonders of the MCG.

FIRST CLASS GROUND ADMINISTRATION

MCG patrons are blessed with extremely efficient administration in all aspects of the ground. This is provided by the MCC through its CEO, Stephen Gough and his team, acting on behalf of the MCG Trust, as the Ground Manager. The financial performance is first class, administration of contracts for food and beverages is value adding, security has been tightened, the National Sports Museum is attracting strong visitation, and five year strategic plans for the future are in the spotlight.

Pleasingly, the relationship between the Trust and the Victorian Government is in strong working condition. The Trust has dealt well with the changes in government and ministerial responsibilities which have occurred during the year.

The MCC has been served extremely well by its retiring President, Paul Sheahan AM. The relationship between the Trust and the MCC Committee is pivotal in the successful management of the ground and in ensuring the best interests of all comers. The newly elected MCC President, Steven Smith has our best wishes for this important leadership role.

As well, there have been changes in the composition of the Trust. Tony Stewart's contribution is acknowledged, as is that of Kate Palmer whose term ended in February 2015 after thirteen years of outstanding work. Stephanie Reeves and Paul O'Malley joined the Trust during the year, adding to what is a well-qualified team with diverse skills. I thank them for their dedication to the MCG.

You can be assured that the MCG Trust, working with the MCC as Ground Manager and with strong support from the Victorian Government, will ensure the MCG retains its widely recognised iconic status.



Robert N. Herbert AM
Chairman

30 June 2015

EXECUTIVE OFFICER'S REPORT

FINANCE

The Trust continues to be in a sound financial position.

The Trust earned a net result of \$5,167,000 in 2014/15 (before contributions to the Melbourne Cricket Club (MCC / Club) for redevelopment debt repayment purposes but including the State Government grant for landscaping upgrade in Yarra Park) compared with \$5,162,000 in 2013/14. Payments to the Club totalled \$5,080,000 (2013/14, \$5,070,000).

At 31 March 2015 the Trust held assets valued at \$201 million (2014, \$197 million). The Yarra Park land value increased during this year as a result of indexing of the value of the land to reflect the movement in values of commercial land in the East Melbourne area.

The Trust's income primarily consists of ground rental from the MCC. The Trust then contributes most of its net income to the MCC to assist in the repayment of ground redevelopment debt. The rent charged is determined in accordance with the ground lease under which the MCG is leased to the MCC until 2042.

YARRA PARK

The \$0.9 million fourth instalment of the Victorian Government's \$6 million contribution to the cost of landscaping and capital improvements in Yarra Park was received during the year. This work has been undertaken by the MCC on behalf of the Trust over the past four years and is virtually complete. Some small final tasks are expected to be completed in the 2015/16 year. The work undertaken has resulted in a significant improvement to Yarra Park's landscaping and infrastructure.

GROUND ATTENDANCES

In 2014/15 the MCG has experienced another year of good attendances at both AFL and cricket matches. The ground has clearly retained its status as the leading major events sports stadium in Australia and is recognised as the home of Australian sport. Attendance at all sporting events at the MCG during the year was 3,229,000. This is a slight decrease from the previous year's 3,372,000, but is still a significant total.

In the past year total AFL attendances at the ground were below those of the previous year due to a number of factors which have been widely canvassed in the media. The AFL and the MCC have responded to a number of the criticisms by taking action to improve the experience of sports fans attending events at the ground in the future.

International cricket attendances for the regular summer fixture this year were lower than last year and were more in line with recent 'non-ashes' years. The Boxing Day Test between Australia and India went for five days for the first time for many years and attracted a good total attendance. Attendances at the one day international matches being a match between Australia and South Africa and one between Australia and India as part of the tri-series which also included England, were slightly lower than in recent years for this form of the game. The only international T20 match at the ground, which was played very early in the season, attracted a disappointing crowd.

Sheffield Shield match attendances continued to be poor. Unfortunately one Shield match was abandoned after one day as a mark of respect for the death of Philip Hughes in a Shield match in Sydney. However, crowds at the domestic T20 Big Bash League matches were the best for many years.

EXECUTIVE OFFICER'S REPORT

The highlight for the year for cricket fans was the ICC World Cup. The MCG hosted five matches including the final between Australia and New Zealand, the co-hosts of the tournament, which attracted a single day record attendance for a cricket match.

FOOTBALL

Total attendance at AFL matches nationally in the 2014 season was 6.95 million marginally higher than the 6.93 million in the previous year. Of this total 569,000 attended the finals, which included over 99,000 at the grand final at the MCG.

The MCG again hosted 51 matches during the season including 6 finals. The MCG's proportion of all AFL attendances in 2014 was lower than previous years but was still a very significant 36%. However, average attendance at football matches at the MCG in 2014 of 50,100 was over 9% below the previous year due to a range of factors including the indifferent performance for much of the year of some MCG based clubs.

The Trust and the Club are continuing to develop ways to improve the fan experience with the aim of improving attendances at AFL matches at the ground.

FOOTBALL ATTENDANCE AT THE MCG

SEASON	TOTAL ATTENDANCE AT MCG '000	NUMBER OF GAMES*	AVERAGE ATTENDANCE '000	MCG SHARE OF TOTAL AFL ATTENDANCE %
2014	2,505	51(6)	50	36.0
2013	2,791	51(6)	55	40.3
2012	2,703	52 (5)	52	39.8
2011	3,069	54 (7)	57	43.0
2010	3,082	55 (8)	56	43.1

*Number of games includes finals shown in brackets.

AVERAGE FOOTBALL ATTENDANCE AT THE MCG

	2014 SEASON	2013 SEASON	2012 SEASON	2011 SEASON	2010 SEASON
TENANT TEAMS					
COLLINGWOOD	51,354	59,781	69,676	66,861	68,469
HAWTHORN	49,571	56,182	44,629	48,161	50,278
MELBOURNE	31,126	23,933	32,887	35,389	40,232
RICHMOND	45,367	56,074	46,120	51,924	39,466
OTHER TEAMS					
	54,536	62,641	54,416	58,941	63,784
FINALS					
	78,719	74,057	72,883	76,110	70,864

EXECUTIVE OFFICER'S REPORT

CRICKET

It was a very busy international cricket season in Australia with a visit by South Africa before a test series against India and a one day tri-series between Australia, India and England prior to the ICC World Cup. The MCG hosted the Boxing Day Test, two one day internationals and one early season international T20 match.

The highlight of the cricket season was Australia co-hosting with New Zealand the International Cricket Council's, Cricket World Cup, 2015. This tournament involved fourteen countries allocated into two groups. Of the forty-nine matches played in the tournament five were at the MCG including the opening match in Australia, a Quarter Final and the Final. The five matches resulted in total attendances of almost 350,000 including a record attendance for a single day of cricket of 93,013 people at the Final.

INTERNATIONAL CRICKET ATTENDANCE AT THE MCG

	2014/15	2013/14	2012/13	2011/12	2010/11
TEST MATCH					
NUMBER OF DAYS	5	4	3	4	4
TOTAL ATTENDANCE	194,481	271,865	137,455	189,347	239,165
AVERAGE ATTENDANCE	38,896	67,966	45,818	47,336	59,791
ONE-DAY INTERNATIONALS					
NUMBER OF MATCHES	2	1	2	2	2
TOTAL ATTENDANCE	48,436	38,068	49,423	58,860	54,178
AVERAGE ATTENDANCE	24,218	38,068	24,711	29,430	27,089
20/20 INTERNATIONALS					
NUMBER OF MATCHES	1	1	1	1	1
TOTAL ATTENDANCE	21,537	63,425	39,427	62,275	58,846
TOTAL ATTENDANCE	264,454	373,358	226,305	310,482	352,189

Whilst the average attendance at state cricket matches at the MCG during the year was slightly higher than previous years, the total amount of shield cricket played at the MCG was substantially lower as a result of one match being abandoned as well as the restricted use of the ground due to the World Cup preparations and commitments. As a result the Victorian team played a number of its shield matches at interstate venues.

The interstate one day competition continued the format established last season with all matches played in a group in the northern states early in the season. Consequently, there were again no interstate one day matches played at the MCG at all. Average attendances at the 2014/15, KFC 20/20 "Big Bash League" rebounded quite strongly this season as the MCG based Melbourne Stars performed well and reached the semi-finals.

EXECUTIVE OFFICER'S REPORT

STATE CRICKET ATTENDANCE AT THE MCG

	2014/15	2013/14	2012/13	2011/12	2010/11
SHEFFIELD SHIELD					
NUMBER OF DAYS	5	20	18	20	20
TOTAL ATTENDANCE	2,893	10,089	8,539	8,771	8,258
AVERAGE ATTENDANCE	579	504	475	461	413
ONE DAY COMPETITION					
NUMBER OF DAYS	-	-	5	4	5
TOTAL ATTENDANCE	-	-	5,417	4,305	4,279
AVERAGE ATTENDANCE	-	-	1,083	1,076	855
20/20 CRICKET					
NUMBER OF DAYS	4	5	4	4*	3#
TOTAL ATTENDANCE	110,793	99,757	85,705	109,696	59,931
AVERAGE ATTENDANCE	27,698	19,951	21,426	27,424	19,977
TOUR MATCH					
NUMBER OF DAYS					3
TOTAL ATTENDANCE					7,936
AVERAGE ATTENDANCE					2,645
TOTAL ATTENDANCE	113,686	109,846	99,661	122,772	79,610

* 2011/12 and onwards - KFC "Big Bash"
2010/11 and prior - Interstate 20/20 competition

NATIONAL SPORTS MUSEUM

The National Sports Museum (NSM) is home to Australia's premier repository of sports-related collections, and is also the manager of MCG Tours. As a collaborative museum, it consolidates and enhances the MCG's standing as Australia's home of sporting heritage.

The NSM celebrates and interprets the important place sport holds in Australian life. It offers a vibrant, exciting and attractive mix of sporting information, cultural heritage and interactive entertainment. It serves the MCG's match-day patronage, as well as catering for families, schools, seniors and tourist groups, seven days a week.

The seventh year of operation saw the NSM and the MCG Tours record in excess of 150,000 visitors, with more than 7000 of them combining their visit with an event day ticket. In addition, around 27 per cent of the NSM's patronage came via school visits.

Periods of strong visitation were witnessed over the Cricket World Cup period and particularly on the MCG Open Day when more than 1800 people visited the museum.

For the final eight Sunday AFL home and away matches held at the MCG during 2014, a "Winter Warmer" initiative was implemented to increase footfall to the NSM and address the issue of affordability and attendance at Sunday twilight games. The promotion was deemed to be a success with an increase in average NSM visitation for Sunday games.

EXECUTIVE OFFICER'S REPORT

A trial was also run in conjunction with our hospitality partner Epicure, introducing two new product offerings for the corporate market that encourage conference bookings to attend the NSM, potentially with a food and beverage package. The trial was deemed successful and is now in place permanently.

The NSM and MCG Tours are supported by more than 370 volunteers who actively contribute to its success, with many individuals fulfilling more than one role. The volunteers are great ambassadors for both of our tourism products.

Exhibitions at the National Sports Museum (NSM) continue to draw on the Australian Gallery of Sport and Olympic Museum (AGOSOM) collection, developed since 1986 and owned by the MCG Trust. New acquisitions into the AGOSOM collection this year included items of Australian Olympic uniforms from the 1956 and 2000 games, ephemera relating to Shane Gould's swimming career and a collection of baseball material.

The NSM's program of temporary exhibitions and displays continues to provide additional and timely attractions for visitors, as well as maintaining the museum's profile in the media. Our internally curated major temporary exhibition was entitled "Gold For Australia! – Stories of Our Sporting Medals". It featured more than 500 sporting medals, including c.300 from the AGOSOM collection.

Other temporary displays included subjects as diverse as Peter Thomson's British Open golf medals, Women's Australian football, yachting's Stonehaven Cup and thoroughbred racing's Roy Higgins medal.

An immersive and state-of-the-art 'Oculus Rift' experience called Shane Warne's 'King of Spin' was also developed to engage additional audiences and drive delivery of visitation targets during the Cricket World Cup period. More than 2300 NSM patrons took the opportunity to face 12 balls from a virtual Shane Warne.

The continuing support from the NSM's corporate partners Coca-Cola, Spotless, Herald and Weekly Times, Australian Football League and its broadcast partners, ISS, Bank of Melbourne, Ticketek, Russell Corp Australia and Eurosport is greatly appreciated.

THANKS

Throughout the year the Trustees continued to closely monitor activities at the MCG and in Yarra Park and I wish to thank them for their continued support as well as the MCC management and staff for their assistance and advice as the Trust has completed another successful year.



Graeme Sinclair
Executive Officer
30 June 2015

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31 MARCH 2015

COMPREHENSIVE OPERATING STATEMENT

YEAR ENDED 31 MARCH 2015	Notes	2015 \$'000	2014 \$'000
Revenue	3	5,275	5,249
Operating expenses		(108)	(87)
Contribution to Melbourne Cricket Club ("the Club") for repayment of Great Southern Stand and Northern Stand Re-development debt ("Re-development Debt")	14	(4,180)	(4,070)
Contribution to the Club for Yarra Park landscape upgrade	14	(900)	(1,000)
NET RESULT FOR THE YEAR	7 (c)	87	92
OTHER COMPREHENSIVE INCOME			
Fair Value Revaluations:			
Crown land - MCG	5, 7 (a)	-	13,700
Crown land - Yarra Park	5, 7 (a)	4,326	5,150
Other Comprehensive Income for the year		4,326	18,850
Total Comprehensive Income for the year		4,413	18,942

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2015	Notes	2015 \$'000	2014 \$'000
CURRENT ASSETS			
Cash and cash equivalents	8 (b)	1,291	1,228
Trade and other receivables	4	103	101
TOTAL CURRENT ASSETS		1,394	1,329
NON-CURRENT ASSETS			
Property, plant and equipment	5	188,176	183,850
Other non-current assets	5	11,782	11,760
TOTAL NON-CURRENT ASSETS		199,958	195,610
TOTAL ASSETS		201,352	196,939
CURRENT LIABILITIES			
Trade and other payables	6	14	13
TOTAL CURRENT LIABILITIES		14	13
TOTAL LIABILITIES		14	13
NET ASSETS		201,339	196,926
TRUST FUNDS			
Accumulated funds	7	70,196	70,109
Reserves	7	131,143	126,817
TOTAL TRUST FUNDS		201,339	196,926

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2015	Accumulated Funds \$'000	Other Reserves \$'000	Total Equity \$'000
Balance at 31 March 2013	70,017	107,967	177,984
Changes in Equity			
Result for the year ended 31 March 2014	92	-	92
Other Comprehensive Income	-	18,850	18,850
Balance at 31 March 2014	70,109	126,817	196,926
Changes in Equity			
Result for the year ended 31 March 2015	87	-	87
Other Comprehensive Income	-	4,326	4,326
Balance at 31 March 2015	70,196	131,143	201,339

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2015	Notes	2015 \$'000	2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(115)	(109)
Interest received		41	54
Ground lease rental from the Club		4,743	4,615
State Government of Victoria contribution – Yarra Park landscape upgrade		900	1,000
Contribution to the Club for repayment of Re-development Debt		(4,598)	(4,477)
Contribution to the Club for Yarra Park landscape upgrade		(990)	(1,100)
GST cash flows		82	91
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	8 (a)	63	74
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		63	74
Cash and cash equivalents at beginning of year		1,228	1,154
CASH AND CASH EQUIVALENTS AT END OF YEAR	8 (b)	1,291	1,228

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2015

1. MELBOURNE CRICKET GROUND TRUST ("THE TRUST") INFORMATION

The first Trustees of the Melbourne Cricket Ground ("MCG") were appointed by the Victorian Government in 1861. The Trust was established as a body corporate incorporated under the provisions of the *Melbourne Cricket Ground Trust Act 1989* as the successor to the unincorporated Trustees who held office under the *Melbourne Cricket Ground Act 1933*. The 1989 Act provided that the assets and liabilities of the Trustees became the assets and liabilities of the Trust. The 1933 and 1989 Acts were repealed in 2009 with the provisions re-enacted in the *Melbourne Cricket Ground Act 2009* ("the Act").

The Trust was appointed as the Committee of Management for Yarra Park effective from 15 March 2010 under the terms of the *Melbourne Cricket Ground and Yarra Park Amendment Act 2009* ("Yarra Park Amendment Act").

The registered office of the Trust is located at:

Melbourne Cricket Ground
Yarra Park
Jolimont
Victoria 3002

The principal activities of the Trust during the year were the formulation of strategies to maintain the MCG's status as a leading provider of premium sporting content, and the management of Yarra Park. Ultimately, the Trust oversees the Club's ground management role.

There was no significant change in the nature of these activities during the period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared on an accrual basis in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"), Interpretations and the *Financial Management Act 1994*. The financial report has also been prepared on a historical cost basis, except for land and the AGOS-OM Collection, which have been measured at fair value.

The financial report is presented in Australian dollars.

(b) Statement of compliance

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. 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 made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a risk of material adjustments in the next year are disclosed throughout the notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that 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.

31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Statement of compliance (cont'd)

Consistent with AASB 13 Fair Value Measurement, the Trust determines the policies and procedures for recurring fair value measurements in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions. 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
- 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 the classes of assets and liabilities on the basis of 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 the 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.

(c) Cash and cash equivalents

For the purposes of the cash flow statement, cash includes cash on hand and cash at bank, and money market investments readily convertible to cash within two working days, net of outstanding bank overdrafts. Interest is charged as an expense or revenue as it accrues.

(d) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. An allowance for doubtful debts is made when there is objective evidence that the Trust will not be able to collect the debts. Bad debts are written off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due.

(e) Yarra Park

Yarra Park (the parklands that surround the MCG) was permanently reserved as a public park in June 1873. Since 1917, the Council of the City of Melbourne ("the Council") had been appointed as the Committee of Management for Yarra Park. The Yarra Park Amendment Act revoked the appointment of the Council and appointed the Trust as the Committee of Management for Yarra Park, thereby expanding the functions of the Trust and specifying the management arrangements and the implementation of an Improvements Plan for Yarra Park.

Under the Yarra Park Amendment Act, the Trust also assumes responsibility for car parking arrangements, receiving advice from the Yarra Park Advisory Committee on the operation and management of Yarra Park and the honouring of existing licences and contracts established by the Council. Further, any money received by or on behalf of the Trust in relation to Yarra Park may only be spent on the operation, management, maintenance and improvement of Yarra Park.

The Yarra Park Amendment Act also allows the Trust to delegate its functions and responsibilities for Yarra Park to the Club and it has done so via the execution by the Trust, the Club and the relevant Ministers of a formal *Instrument of Delegation* and *Second Deed of Amendment to the MCG Management and Indemnity Deed*. These agreements appoint and allow the Club to fulfil all of the responsibilities assigned to the Trust under the Yarra Park Amendment Act. The Club will continue to act as the Committee of Management for Yarra Park for as long as the Club is the Ground Manager.

During the year, the Trust received a grant from the State of Victoria under the terms of a funding agreement in relation to landscape and capital works within Yarra Park. This funding was then contributed to the Club under the terms of the *Instrument of Delegation*. The grant has been recorded as revenue and the contribution as an expense in the Statement of Comprehensive Income.

31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Property, plant and equipment

(i) Crown land - MCG

The Act provides that the assets and liabilities of the Trustees became the assets and liabilities of the Trust. Under the provisions of the Act, the Trust was deemed to become the grantee of the MCG's land reserved under an Order in Council dated 20 February 1934. No cost was incurred by the Trust in respect of this land.

Crown land for the MCG is measured on a fair value basis. At each balance date, the value of the asset in this class is reviewed to ensure that its carrying value does not materially differ from the asset's fair value at that date. Where necessary, the asset is revalued to reflect its fair value. Valuation of the land from the Valuer-General Victoria is generally completed every five years. The next valuation will be 31 March 2017.

(ii) Crown land - Yarra Park

The Yarra Park Amendment Act transfers the regulation of Crown land at Yarra Park to the control of the Trust.

This land was contributed for nil consideration from the Council to the Trust effective 15 March 2010. It is measured on a fair value basis. At each balance date, the value of the asset in this class is reviewed to ensure that its carrying value does not materially differ from the asset's fair value at that date. Where necessary, the asset is revalued to reflect its fair value. Valuation of the land from the Valuer-General Victoria is generally completed every five years. The next valuation will be 31 March 2017.

(iii) Impairment

All 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 recoverable amount. Where an asset's carrying amount exceeds its recoverable amount, the difference is written off by a charge to the Statement of Comprehensive Income, except to the extent that this write down can be debited to an asset revaluation reserve account applicable to that class of asset.

(g) Other non-current assets – AGOS-OM Collection (part of the National Sports Museum ("NSM"))

The AGOS-OM Collection comprises assets that the Trust intends to preserve because of their unique historical and cultural attributes. The Collection is recognised at fair value with regard to its highest and best use. The Collection is not depreciated. Valuation of the Collection from an independent assessor will be completed every five years with any future acquisitions being valued at cost for purchases and fair value for material donated items until the next valuation.

At each balance date, the value of the AGOS-OM Collection is reviewed to ensure the carrying amount does not materially differ from the Collection's fair value at that date. Where necessary, the asset is revalued to reflect its fair value. The Collection is managed, maintained and displayed by National Sports Museum Limited ("NSML"), in accordance with the Melbourne Cricket Ground Trust Exhibition Agreement.

(h) Taxes

Income Tax

The Trust is exempt from income tax under Section 50-45 of the *Income Tax Assessment Act (ITAA) 1997*.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Trade receivables and trade payables are stated with the amount of GST included.

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

31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Allocation between current and non-current

In the determination of whether an asset, other than cash or a cash equivalent is current or non-current, consideration is given as to whether the Trust expects to realise or consume the asset within twelve months after the reporting date. All cash and cash equivalents are deemed as current.

Current liabilities are recognised when the liability is due to be settled within twelve months after reporting date or the Trust does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

(j) Indemnification and insurance of Trustees

The State Government has advised that costs of indemnification of Trustees are a chargeable expense against the Trust and that the State indemnifies the Trust against losses of the Trust.

(k) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Lease Rental and Interest

Control of a right to receive consideration for the provision of, or investment in, assets has been attained.

(l) Expense payments

Payments to third parties are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as the contribution to the Club for repayment of Great Southern Stand and Northern Stand Re-development debt.

(m) Employee leave benefits

The Trust employed nil employees during the year (2014: nil employees). No employee leave benefits are owed at balance date (2014: nil benefits owed). Administration services for the Trust are provided by the Club's staff at no cost to the Trust.

(n) Rounding

The amounts contained in this report and in the financial report have been rounded off to the nearest \$1,000 where rounding is applicable (or in certain cases to the nearest dollar), under the option available to the Trust under Standing Direction 4.2(d). The Trust is an entity to which the Standing Direction applies.

(o) Events after reporting date

Where applicable, adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date of signing of the financial statements. Adjustments are made where those events provide information about items which existed in the reporting period.

(p) Financial instruments

Financial instruments arise out of contractual arrangements that give rise to a financial asset of one entity and a financial liability or equity of another entity. Due to the nature of the Trust's activities, the principal financial instrument of the Trust is cash assets.

(q) Equity and Reserves

Accumulated funds include all current and prior period retained funds. Revaluation reserves include the increments and decrements on the revaluation of non-current assets.

31 MARCH 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Contingent assets and liabilities

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

(s) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 12) at their nominal value.

(t) New accounting standards issued that are not yet effective

The accounting standards adopted in this financial report are consistent with those of the previous period. Certain new Australian Accounting Standards have been published that are not mandatory for the 31 March 2015 reporting period. The Trust has assessed the impact of all these new standards and determined that early adoption is not applicable.

(u) Scope and presentation of financial statements

Statement of Comprehensive Income

The statement of comprehensive income comprises two components, being 'net result for the year' and 'other comprehensive income'. The sum of these components represents the net result. The net result is equivalent to profit or loss derived in accordance with Australian Accounting Standards.

Balance Sheet

Assets and liabilities are presented in liquidity order. Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled more than 12 months after the reporting period) are disclosed in the notes, where relevant.

Statement of Cash Flows

Cash flows are classified according to whether or not they arise from operating, investing, 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 reconciliation of changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015	Notes	2015 \$'000	2014 \$'000
3. REVENUES			
Lease rental from the Club	14	4,312	4,195
Total revenues from operating activities		4,312	4,195
Other revenues			
Interest revenue		41	54
Asset donations received		22	-
State Government of Victoria contribution – Yarra Park landscape upgrade	14	900	1,000
Total other revenues		963	1,054
Total revenues		5,275	5,249
4. TRADE AND OTHER RECEIVABLES			
GST receivable		103	101
		103	101

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015	2015 \$'000	2014 \$'000
5. PROPERTY, PLANT AND EQUIPMENT		
<i>Crown land - MCG</i>		
Carrying amount at beginning of year	75,700	62,000
Net amount of revaluation increment	-	13,700
Fair Value at 31 March 2015	75,700	75,700
 <i>Crown Land - Yarra Park</i>		
Carrying amount at beginning of year	108,150	103,000
Net amount of revaluation increment	4,326	5,150
Fair Value at 31 March 2015	112,476	108,150
 Total Property, Plant and Equipment	 188,176	 183,850
 Other Non-Current Assets		
AGOS-OM Collection (part of the NSM)		
Carrying amount at beginning of year	11,760	11,760
Net amount of revaluation increment	-	-
Add donated items	22	-
Fair Value at 31 March 2015	11,782	11,760

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

5 (a) FAIR VALUE MEASUREMENTS

The Trust measures and recognises the following assets at fair value on a recurring basis:

- Land
- AGOS-OM Collection

A. Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy:

- (a) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (b) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- (c) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measure is unobservable.

(i) Fair value measurement hierarchy for assets at 31 March 2015

The following table presents the Trust's assets measured and recognised at fair value at 31 March 2015.

	Notes	Carrying amount	Fair value measurement at end of reporting period using:		
			Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
Balance at 31 March 2014					
Specialised land at fair value					
Crown Land – MCG	5, 2(b)	75,700	-	-	75,700
Crown Land – Yarra Park	5, 2(b)	108,150	-	-	108,150
Total of specialised land at fair value		183,850	-	-	183,850
Cultural assets at fair value					
AGOS-OM Collection	5, 2(b)	11,760	-	-	11,760
Total of cultural assets at fair value		11,760	-	-	11,760
Balance at 31 March 2015					
Specialised land at fair value					
Crown Land – MCG	5, 2(b)	75,700	-	-	75,700
Crown Land – Yarra Park	5, 2(b)	112,476	-	-	112,476
Total of specialised land at fair value		188,176	-	-	188,176
Cultural assets at fair value					
AGOS-OM Collection	5, 2(b)	11,782	-	-	11,782
Total of cultural assets at fair value		11,782	-	-	11,782

There were no transfers between levels 1, 2 or 3 for recurring fair value measurements during the year. The Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

The carrying amounts of receivables and payables are assumed to approximate their fair values due to their short term nature.

31 MARCH 2015

5 (a) FAIR VALUE MEASUREMENTS (Cont'd)

B. Valuation techniques used to derive level 3 fair values

All fair value estimates for non-financial assets are included in level 3.

(i) Crown Land - Yarra Park

The level 3 fair value of the Yarra Park land has been derived using the sales comparison approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre and given the nature of the property a discount for a Community Service Obligation (CSO).

The CSO is an allowance made to reflect the difference between the highest and best use of unrestricted freehold land and assets held by the public sector. It reflects reductions in land value due to uses which are physically possible, legally permissible and financially feasible.

(ii) Crown Land - MCG

In view of the long term lease involved, the most appropriate method of the valuation of the land under lease to the Melbourne Cricket Club is the discounted cash flow method. This method involves the calculation of the present day value of the net cash flows being the present value of future rental streams under the lease into perpetuity.

(iii) AGOS-OM Collection

For the AGOS-OM collection the Trust obtains independent valuations from a qualified valuer at least every five years. The latest valuation, by Simon Storey Valuers, at 31 March 2012 was for \$11,760,000. Fair value for the AGOS-OM collection is determined by reference to the best available market evidence. Where available, this is based on the current market selling price of the same or similar works or on the estimated amount which market participants would be prepared to pay. As there are a large number of items in the collection, the whole collection has been valued using scientific sampling techniques. At the end of each reporting period the Trustees update their assessment of the fair value of the collection, taking into account any additions or disposals during the period and obtaining advice from the independent valuer that the fair value of the collection did not materially differ from the carrying value. At 31 March 2015, an independent review by Simon Storey Valuers determined the fair value of the AGOS-OM collection did not materially differ from the carrying value.

If one or more of the significant inputs is not based on observable market data, the asset is included in Level 3. This is the case for land and cultural assets.

For its land assets the Trust obtains independent valuations from the Victorian Valuer General at least every five years. The latest valuation of the Yarra Park land was at 31 March 2012 using the market approach adjusted for CSO. The latest valuation of the MCG land was at 31 March 2014 using the discounted cash flow method. The latest valuation of the AGOS-OM Collection was at 31 March 2012 using the best available market evidence and scientific sampling techniques.

At the end of each reporting period between formal valuation dates the Trustees update their assessment of the fair value of each property, taking into account the most recent independent valuations, movements in the Valuer General's commercial land indexation factors and movements in any other relevant criteria.

Land: indexation of future rental streams, discount rates and Community Service Obligation discounts are estimated by the Victorian Valuer General based on comparable assets and transactions and industry data.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

5 (a) FAIR VALUE MEASUREMENTS (Cont'd)

C. Description of significant unobservable inputs to Level 3 valuations

Valuation inputs and relationships to fair value

The following table summarises the quantitative and qualitative information regarding the significant unobservable inputs used in the level 3 fair value measurements.

Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Crown Land – MCG	Discounted cash flow approach	Indexation of future rental streams	3.1%	The higher the indexation the higher the land value
		Discount rate applied to future rental streams	8.75%	The higher the discount rate the lower the valuation
		Term of discounting	99 years	The longer the term the higher the valuation
Crown land – Yarra Park	Market approach	Direct cost per square metre	\$1,800 per square metre	The higher this value the higher the land value
		Community Service Obligation (CSO) adjustment	80%	The higher the CSO the lower the valuation
		East Melbourne Commercial land indexation for 2014	4%	The higher this index the higher the land value
AGOS-OM Collection	Market approach using a sampling technique	Selecting an appropriate comparable item at market value		The higher the value of the comparable item the higher the Collection value

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015	Notes	2015 \$'000	2014 \$'000
6. TRADE AND OTHER PAYABLES			
Accrued Charges		14	13
7. RESERVES AND ACCUMULATED FUNDS			
Asset revaluation	7 (a)	131,095	126,769
Special purpose – National Sports Museum (“NSM”)	7 (b)	48	48
		131,143	126,817
Accumulated funds	7 (c)	70,196	70,109
(a) Asset revaluation			
<i>(i) Nature and purpose of reserve</i>			
The asset revaluation reserve is used to record increments and decrements in the value of non-current assets.			
<i>(ii) Movements in reserve</i>			
Balance at beginning of year		126,769	107,919
Revaluation increments / (decrements) on revaluation of:			
- Crown land - MCG		-	13,700
- Crown land – Yarra Park		4,326	5,150
- AGOS-OM Collection		-	-
Balance at end of year		131,095	126,769
(b) Special purpose – NSM			
<i>(i) Nature and purpose of reserve</i>			
The NSM reserve records donations provided to the Trust for the purchase of sporting memorabilia.			
<i>(ii) Movements in reserve</i>			
Balance at beginning of year		48	48
Transfers from / (to) other equity accounts:			
- Accumulated funds		-	-
Balance at end of year		48	48
(c) Accumulated funds			
Balance at beginning of year		70,109	70,017
Net result for the year		87	92
Transfers from / (to) other equity accounts:			
- Asset revaluation reserve		-	-
- Special purpose – NSM		-	-
Balance at end of year		70,196	70,109

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

2015
\$'000

2014
\$'000

8. CASH FLOW INFORMATION

(a) Reconciliation of net result to the net cash flows from operations

Net result	87	92
Less non-cash revenue	(22)	-
Changes in assets and liabilities		
(Increase)/decrease in trade & other receivables	(2)	(2)
Increase/(decrease) in trade & other payables	-	(16)
	<hr/>	<hr/>
Net cash flow from/(used in) operating activities	63	74
	<hr/> <hr/>	<hr/> <hr/>

(b) Reconciliation of cash

Cash and cash equivalents comprises:

- cash at bank	15	18
- short term deposits	1,276	1,210
	<hr/>	<hr/>
Cash and cash equivalents at end of year	1,291	1,228
	<hr/> <hr/>	<hr/> <hr/>

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are at call and earn interest at the respective short-term deposit rates.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015	2015 \$'000	2014 \$'000
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9. AUDITORS' REMUNERATION

Amounts received or due and receivable
by Victorian Auditor General for:

– an audit of the financial report of the Trust

14	13
14	13

10. CONTINGENT LIABILITIES

At the date of this report, the Trust is not aware of any contingent liabilities.

11. SUBSEQUENT EVENTS

There are no events subsequent to the end of the financial year which, to the Trust's knowledge, will significantly affect the operating results and state of affairs of the Trust for the year ended 31 March 2015.

12. EXPENDITURE COMMITMENTS

At the date of this report, the Trust is not aware of any capital or contracted expenditure commitments, other than those commitments under the Yarra Park Amendment Act and under the funding agreement for landscape and capital improvement works within Yarra Park, which have been delegated by the Trust to the Club under the provisions of the *Instrument of Delegation* and *Second Deed of Amendment to the MCG Management and Indemnity Deed*. The amount committed under the funding agreement for landscape and capital improvements works within Yarra Park is \$0.100 million for the year ended 31 March 2016.

13. RE-DEVELOPMENT OF THE MCG

Under the provisions of the original Indemnity Deed dated 11 April 1990, the Club agreed to redevelop the Great Southern Stand at a cost of approximately \$150 million. The original Indemnity Deed was re-negotiated and a new Management and Indemnity ("M&I") Deed was signed (15 August 2002) by the Trust, the Club and the State Government of Victoria.

The original financing arranged by the Club in relation to the Great Southern Stand will be fully repaid by March 2017, with guarantees in respect of the financing being provided by the Trust and the Treasurer of Victoria in accordance with the specific provisions of the Indemnity Deed.

As part of the M&I Deed, the Club agreed to redevelop the Northern side of the MCG. The financing arranged by the Club will be fully repaid by March 2026, with guarantees in respect of the financing being provided by the Trust and the Treasurer of Victoria in accordance with the specific provisions of the M&I Deed.

The outstanding long-term debt in relation to the re-developments of the MCG is recognised in the Club's accounts. Total Re-development Debt at 31 March 2015 for these projects is \$225.892 million (2014: \$242.477 million).

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

14. RELATED PARTY DISCLOSURES

(a) The Office bearers of the Trust during the financial year were:

Mr Robert Herbert AM	Mr Paul O'Malley
Mr Ian Carson	Ms Kathryn Palmer
The Hon. Peter Costello AC	Ms Stephanie Reeves
Ms Jane Fenton AM	Mr Anthony Stewart
The Hon. Patrick McNamara	Mr Graeme Sinclair (Executive Officer)
Mr Dale Monteith	

(b) The following transactions occurred with other related parties during the financial year:

- (i) During the year the Trust received from the Club \$4.312 million (2014: \$4.195 million) in respect of the Club's lease rental of the MCG.
- (ii) The Trust contributed \$4.180 million from its cash reserves to the Club for the repayment of Re-development Debt (2014: \$4.070 million).
- (iii) During the year, under the terms of an *Instrument of Delegation*, the Trust contributed Yarra Park landscape and capital improvement funding of \$0.900 million (2014: \$1.000 million) to the Club.
- (iv) From time to time, the Club, the Melbourne Cricket Club Foundation and NSML undertake transactions on behalf of the Trust. As at balance date, amounts payable by the Trust to the Club were nil (2014: nil) and amounts payable by the Trust to the Melbourne Cricket Club Foundation and the NSML were nil (2014: nil).

15. GROUND MANAGER

On 15 August 2002, the Club entered into a *Deed of Variation of Lease* with the MCG Trust pursuant to which the Club's existing tenancy of the MCG was extended until 31 March 2042 with an option to extend its lease over the Members' Reserve for a further 25 years. Under a separate management agreement with the Trust and the Government of Victoria, the Club's role as manager of the MCG has also been extended until 31 March 2042.

Building Improvements and Capital Work in Progress have been funded by the Club and are recognised in the Club's accounts at a written down value of \$477.809 million (2014: \$485.985 million). The residual interest in buildings and improvements at the ground will revert to the Trust at the end of the lease period.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Trust's activities expose it primarily to the financial risks of changes in interest rates. The Trust does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Trust's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to meet obligations for the Trust's operations. The Trust has various other financial assets and liabilities such as trade payables, which arise directly from its operations. It is, and has been throughout the period under review, the Trust's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Trust's financial instruments are cash flow interest rate risk and credit risk. Policies for managing the main risks are summarised below:

Interest rate risk exposures

The Trust's exposure to the risk of changes in market interest rates relates primarily to the Trust's cash, which is subject to floating interest rates.

Credit risk exposure

The Trust trades only with recognised, creditworthy third parties.

It is the Trust's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is not significant.

There are no significant concentrations of credit risk within the Trust.

With respect to credit risk arising from the other financial assets of the Trust, which comprise cash and cash equivalents, the Trust's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

Since the Trust trades only with recognised third parties, there is no requirement for collateral.

17. FINANCIAL INSTRUMENTS

(a) Interest rate risk

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Financial Instruments	Floating interest rate		Fixed interest rate maturing in:						Weighted average effective interest rate	
			1 year or less		1 to 5 years		More than 5 years			
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 %	2014 %
<i>(i) Financial assets</i>										
Cash	15	18	-	-	-	-	-	-	0.01	0.01
Short term deposits at call	1,276	1,210	-	-	-	-	-	-	3.00	3.00
	1,291	1,228	-	-	-	-	-	-		

All other financial assets and financial liabilities, both recognised and unrecognised, are non-interest bearing.

31 MARCH 2015

17. FINANCIAL INSTRUMENTS (Cont'd)

(b) Fair values

All financial assets and liabilities are summarised in the above table. Where financial assets and liabilities have not been recorded at fair value the carrying amount approximates fair value at balance date. The following methods and assumptions are used to determine the fair values of financial assets and liabilities.

Recognised financial instruments

Cash and cash equivalents:

The carrying amount approximates fair value because of their short-term to maturity.

Trade and other receivables:

The carrying amount approximates fair value.

Trade and other payables:

The carrying amount approximates fair value.

(c) Liquidity risk management

Ultimate responsibility for liquidity risk rests with the Trustees, who have built an appropriate liquidity risk management framework for the management of the Trust's short, medium and long-term funding and liquidity management. The Trust manages the liquidity risk by maintaining adequate cash reserves, and by continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets and liabilities. Given the current surplus cash assets, liquidity risk is minimal.

(d) Sensitivity analysis

At 31 March 2015, if interest rates had changed by +/- 50 basis points from the year-end rates with all other variables held constant, the net result for the year would have been \$0.006 million lower/higher (2014: change of 50 basis points, \$0.006 million lower/higher), mainly as a result of lower/higher interest income from cash and cash equivalents.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

31 MARCH 2015

18. RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the year.

	<i>Period</i>
Responsible Ministers:	
Hon. Denis Napthine Premier	01/04/2014 – 29/11/2014
and	
Hon. Daniel Andrews Premier	04/12/2014 – 31/03/2015
and	
Hon. Damian Drum Minister for Sport and Recreation	01/04/2014 – 29/11/2014
and	
Hon. John Eren Minister for Tourism and Major Events	04/12/2014 – 31/03/2015
Trustees:	
Mr Robert Herbert AM (Chairman)	01/04/2014 – 31/03/2015
Mr Ian Carson	01/04/2014 – 31/03/2015
Hon. Peter Costello AC	01/04/2014 – 31/03/2015
Ms Jane Fenton AM	01/04/2014 – 31/03/2015
Hon. Patrick McNamara	01/04/2014 – 31/03/2015
Mr Dale Monteith	01/04/2014 – 31/03/2015
Mr Paul O'Malley	07/10/2014 – 31/03/2015
Ms Stephanie Reeves	07/10/2014 – 31/03/2015
Ms Kathryn Palmer	01/04/2014 – 03/02/2015
Mr Anthony Stewart	01/04/2014 – 04/05/2014

The Trustees as listed above have received no remuneration (2014: Nil).

DECLARATION BY TRUSTEES

We certify the attached financial statements for the Melbourne Cricket Ground Trust have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Australian Accounting Standards and other professional reporting requirements.

We further state that, in our opinion, the information set out in the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 31 March 2015 and the financial position of the Trust as at 31 March 2015.

We are not aware of any circumstance which would render any of the particulars included in the financial statements to be misleading or inaccurate.

On behalf of the Melbourne Cricket Ground Trust.



Robert N. Herbert AM
Chairman

Melbourne, 29 May 2015

INDEPENDENT AUDITOR'S REPORT

To the Trustees, Melbourne Cricket Ground Trust

The Financial Report

The accompanying financial report for the year ended 31 March 2015 of the Melbourne Cricket Ground Trust which comprises the statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by trustees has been audited.

The Trustees' Responsibility for the Financial Report

The Trustees of the Melbourne Cricket Ground Trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the Trustees' determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the trust's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

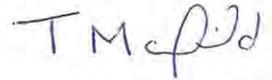
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Melbourne Cricket Ground Trust as at 31 March 2015 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
1 June 2015



for John Doyle
Auditor-General

Protected Disclosure Act 2012

The purpose of the Protected Disclosure Act (“Act”) is to encourage and facilitate the making of disclosures of improper conduct of public officers and public bodies without fear of reprisal. The Trust is a “public body” for purposes of the Act. The trust is not permitted to receive disclosures made under the Act. You can make a protected disclosure about the Trust or its members, officers or employees by contacting the Independent Broad-based Anti-corruption Commission. As required under the Act, the Trust has adopted procedures for the protection of people against detrimental action that might be taken against them in reprisal for the making of protected disclosures. These procedures are available from the Trust on request.



