



MELBOURNE  **OLYMPIC PARKS**

ANNUAL REPORT
2018/19



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CHAIR'S FOREWORD

In accordance with the *Financial Management Act 1994*, I am pleased to present the annual report of Melbourne and Olympic Parks operations and the Audited Financial Statements for the Melbourne and Olympic Parks Trust (the Trust) for the year ending 30 June 2019.

Completion of Rod Laver Arena's major upgrade this year marked the end of Stage 2 of the ongoing Melbourne Park Redevelopment. Stage 3 is well underway with the demolition of the old Function Centre earlier this year, making way for a new Function and Media Centre providing 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; all due for completion in 2023.

The Victorian Government's \$972 million commitment to the redevelopment, which includes the Trust's \$80 million contribution to Stages 2 and 3, represents major investments by Victorian taxpayers, vital to securing the Australian Open until at least 2036 and enabling us to continue developing the precinct. With that development we can attract the best sporting, cultural and entertainment events and further enhance Melbourne's global reputation.

The precinct enjoyed strong growth in both revenue and patronage this year, contributing to a strong Victorian visitor economy. This was achieved despite the impact of the ongoing redevelopment construction on event operations. The Trust recorded its highest-ever overall income of \$122.2 million from operations, an increase of \$10.5 million compared to last year and returned a net profit after depreciation for FY19.

The positive financial performance was in part driven by increased collaboration between the Trust and its key stakeholders, including Tennis Australia, and their continuing efforts to attract more people to both ticketed and community events within the precinct. Working together to drive greater attendances, a better experience for all visitors and greater awareness of the many events, activities and recreation options right across the precinct is a key priority for the Trust in the coming year.

A record-breaking 796,435 patrons attended the 2019 Australian Open over the two-week tournament, which contributed to a 7 per cent increase in income from this iconic event.

Rod Laver Arena's upgrades also proved increasingly popular, delivering more shows this year and attracting 692,744 patrons, up 229,592 on last year. Rod Laver Arena also celebrated the opening of the Eastern Annex which includes new state-of-the-art food and beverage facilities, offering audiences attending the world-class sports and entertainment events year round new dining experiences.

In partnership with the Victorian Government, the Trust has focused on establishing Victoria as the basketball capital of Australia. Melbourne Arena will continue to be the premier basketball venue in Victoria and home to the National Basketball League (NBL) side, Melbourne United. From 2019-20, it will also host matches involving newly established NBL side, South East Melbourne Phoenix.

Over and above the Melbourne Park Redevelopment, the Trust on behalf of the Victorian Government, invested a further \$21 million in upgrading and improving facilities across the precinct, ensuring they remain world-class and evolve to meet the changing needs of its sporting and entertainment clients, as well as maintaining public recreation facilities and hosting community events.

Delivering on its broader public obligations to encourage local sport development as well as community engagement, the Trust worked with various community groups and charities to support important causes.

On behalf of the Trust, I would like to pay tribute to long-standing CEO Brian Morris, who stepped down in July after 14 years of outstanding service. Under Brian's watch, the precinct secured the Australian Open until 2036 and vastly contributed to our infrastructure. Brian oversaw the development of AAMI Park and the comprehensive Melbourne Park Redevelopment, including the new National Tennis Centre, upgrades of both Margaret Court Arena and Rod Laver Arena, all of which provide major benefits to the state and maintain our ability to attract major events. Brian's commitment to strong financial performance, while balancing the needs of tenants and stakeholders to achieve the best outcome for Victorians, has ensured the precinct remains a world-

leading sport and entertainment destination for all. We thank Brian and wish him well.

I was pleased to announce the appointment of a new CEO, John Harnden, who is an accomplished and experienced leader in the international sports, entertainment and major events sector. John has enjoyed an illustrious career, including CEO roles with the 2006 Commonwealth Games Corporation, the ICC 2015 Cricket World Cup, the South Australian Cricket Association, Village Roadshow International Theme Parks and the Australian Grand Prix Corporation. John has experience delivering infrastructure and also working in collaboration to deliver world-class events. All at the Trust are excited about the future under John's leadership.

The results this year were only possible because of the efforts of our staff and our sporting clubs, tenants, users, promoters and partners. I want to extend thanks to all involved in looking after our guests, driving attendance and ensuring more people from around the state, Australia and around the world enjoy the unique experience the precinct offers.

I would like to express the Trust's ongoing appreciation to the Premier of Victoria, the Honourable Daniel Andrews MP, and the Minister for Tourism, Sport and Major Events, the Honourable Martin Pakula MP, for their unwavering support for the precinct and its role in the community.

The support of the Victorian Government and that of our many users and stakeholders ensures we will remain the pre-eminent sports and entertainment precinct in Australia. We take our role seriously in ensuring the Trust is an asset for the entire community and a significant contributor to the Victorian economy through attracting events and visitors from interstate and overseas.

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



Russell Caplan
Chair
Melbourne and Olympic Parks Trust

2019 HIGHLIGHTS

SINCE 2009,
MORE THAN

24
MILLION

PATRONS HAVE ATTENDED TICKETED EVENTS
AT MELBOURNE & OLYMPIC PARKS

IN FY19,
MORE THAN

1.8
MILLION

PATRONS ATTENDED EVENTS AT ROD LAVER
ARENA, AAMI PARK, MARGARET COURT
ARENA AND MELBOURNE ARENA OUTSIDE
OF THE AUSTRALIAN OPEN

TOTAL INCOME
INCREASED TO

\$122
MILLION

A RECORD ATTENDANCE OF

796,435

PATRONS FOR THE 2019 AUSTRALIAN OPEN

962

COMMUNITY ACTIVITIES
HELD ON THE OLYMPIC PARK PRECINCT

21

PROMOTED
DIFFERENT CHARITIES AND
COMMUNITY GROUPS BY ACTIVATING
AAMI PARK'S ROOF LIGHTING
AND OLYMPIC BOULEVARD SIGNAGE

STAGE 2

OF THE MELBOURNE PARK
REDEVELOPMENT CONTINUED WITH
STAGE 3 NOW UNDERWAY

THE PRECINCT
WAS HOME TO
9 NATIONAL
SPORTING TEAMS

COLLINGWOOD (AFL)
MELBOURNE DEMONS (AFL)
MELBOURNE STORM (NRL)
MELBOURNE VICTORY (SOCCER)
MELBOURNE CITY (SOCCER)
MELBOURNE REBELS (SUPER RUGBY)
MELBOURNE VIXENS (NETBALL)
COLLINGWOOD MAGPIES (NETBALL)
MELBOURNE UNITED (NBL)

478 DAYS
CONTRACTED IN
TOTAL ACROSS THE
PRECINCT'S VENUES

PINK PLAYED 11 CONSECUTIVE
SHOWS AT ROD LAVER ARENA IN
FRONT OF MORE THAN 150,000 FANS



AAMI PARK HOSTED
CAMERON SMITH'S
400TH NRL GAME





YEAR IN REVIEW

BUSINESS PLANNING

Melbourne & Olympic Parks (M&OP) Trustees and Management prepare an annual business plan for approval in accordance with the requirements of its Act and purpose, which includes Ministerial Statement of Expectations. The strategic plan articulates strategies, key focus areas, sets goals and determines measures for the new year to ensure that the Trust continues to deliver on its purpose to manage the precinct for the benefit of Victorians. The plan measures performance against four goal areas.

1 GOAL AREA 1 : MANAGE THE PRECINCT TO BENEFIT THE PEOPLE OF VICTORIA

Melbourne and Olympic Parks falls within the Richmond to Docklands priority precinct, combining some of Melbourne's most attractive river and parklands with the best in sports, entertainment, arts and cultural venues.

The Trust's purpose includes supporting professional and state level sporting teams. This year saw the venues hired for a total of 281 days, from bump-in to bump-out, to facilitate these national and international sport competitions.

The Trust's success is determined by its performance as a custodian and manager of Melbourne and Olympic Parks. This has a broader remit as a public asset, than that of a purely financial return. This goal includes how the balancing of multiple priorities arising from the Trust's purpose is achieved.

The Trust provided support and preferential access to sports and community organisations during the year, ensuring access and opportunities for Victorians to participate in sport and recreation. A total of 962 community activities were held in the Olympic Park precinct, for members of the public to access.

Results for the year ending 30 June 2019 were \$4.5 million better than the prior year after depreciation. The Trust reported income of \$122.2 million, which was \$10.5 million (9.4 per cent) up on the prior year. The Trust continues to attract and maintain major and significant events, with Rod Laver Arena and the Australian Open performing strongly during the year.



2 GOAL AREA 2: IMPROVING CUSTOMER VALUE

The Trust was delighted with a strong performance in terms of ticketed attendance, made even more impressive by being achieved alongside the ongoing feats of the Melbourne Park Redevelopment. Strong attendance growth was shown across the precinct and the Australian Open, while also enhancing guest satisfaction results.

The Trust regularly evaluates clients' and guests' feedback to determine satisfaction with services delivered. This is done through customer research processes including customer satisfaction surveys, mystery guest reviews and exit surveys. Guest satisfaction targets measured by the Net Promoter Score system were raised this year and results continued to exceed, achieving a score of 52 for the target of 50 precinct-wide. The surveys are also utilised to identify areas where services or value can be improved as part of the Trust's commitment to continuous improvement. Average scores from both client and guest surveys met or exceeded targets.



YEAR IN REVIEW

3 GOAL AREA 3: BUSINESS PROCESSES

As the Trust's business has significantly expanded and grown over the years, it has continually improved operations to deliver higher levels of service.

Each event staged requires many days of planning, set-up and preparation before the public enter the venues. Improvements have been achieved through the innovative use of technology and a commitment to developing employees. There has also been a strong focus on improving the event planning function in the organisation to better collaborate, allocate and manage event resources. This is reflected in improved data and analysis of future workforce needs.

The Trust has remained committed to ensuring that it delivers a safe and secure precinct, with a continued focus on improving safety seeing injury reduction targets achieved for 2019. This is achieved by continuous improvement of the Trust's Safety Management System. Risk and safety management principles are embedded into our core business through activities such as risk assessments, venue inspections, hazard identification, toolbox talks, safety leadership and detailed oversight and reporting.

4 GOAL AREA 4: CLIMATE FOR HIGH PERFORMANCE

The organisation regularly surveys its workforce to identify areas of concern and take appropriate action to address workplace issues. The Trust undertook two rounds of organisational surveys during the year, namely the Insync Alignment and Engagement survey in November and the People Matter Victorian Public Sector survey in June. Results from 2019 organisational surveys have achieved the targeted improvements to alignment and engagement indicators within the workforce.

The Insync survey demonstrated improvements in all areas where the Trust had focussed its efforts.

These included:

- Communication and education regarding its vision, values and strategy;
- Commitment to high standards of performance and customer service;
- Commitment to high levels of occupational health and safety.

The survey furthermore showed extremely pleasing outcomes in high engagement throughout the workforce (permanent and casual) with results in the top quartile of the benchmark group (Government, Not for Profit, Event & Sporting Agencies 189 surveys / 60,285 responses). The People Matter survey affirmed this progress, particularly in the areas of senior leaders providing clear strategy and direction, as well as strong (positive) Safety culture.



REPORT OF OPERATIONS

OVERALL PERFORMANCE

Total income from operations was \$122.2 million, up \$10.5 million on the prior year (2018: \$111.7 million). This growth on the previous year largely relates to Rod Laver Arena's growth, increasing on the previous year by 15 shows and 229,592 patrons, as well as the expansion of the Australian Open attracting 52,768 more patrons.

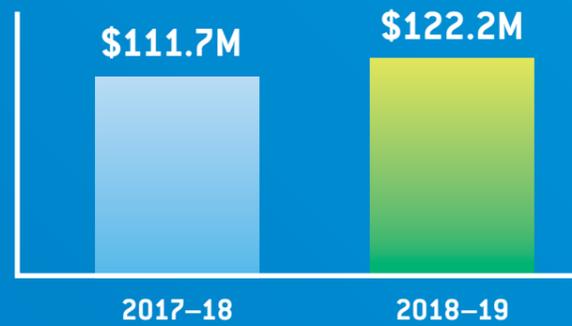
Total operating expenditure of \$117.1 million increased by \$1.2 million on last year (2018: \$115.9 million), which included a \$36.1 million depreciation charge (2018: \$37.6 million). This decrease in depreciation was partly attributable to the demolition of the Function Centre and sections of the eastern tennis courts (associated with the Melbourne Park Redevelopment), as well as some assets being fully depreciated during the year.

The Trust also continues to support the Victorian Government's sport and recreation programs with the Sports Development Transfer.

After taking into account an asset write down of \$4.9 million for the demolition of the existing Function Centre and four outdoor tennis courts, the net result achieved a profit of \$0.27 million (2018: \$4.2 million loss).

Net worth of the Trust increased by \$130 million to \$2.21 billion during the year, mainly through contributions by the Victorian Government towards the Melbourne Park Redevelopment.

INCOME



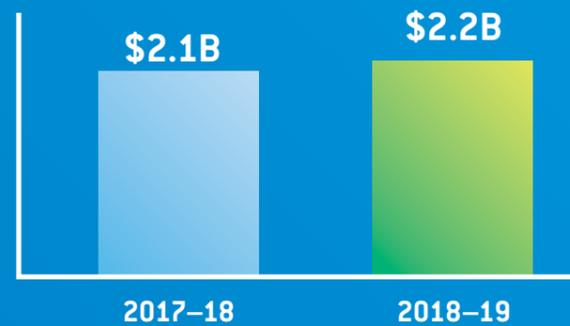
OPERATING EXPENDITURE



NET PROFIT



NET WORTH



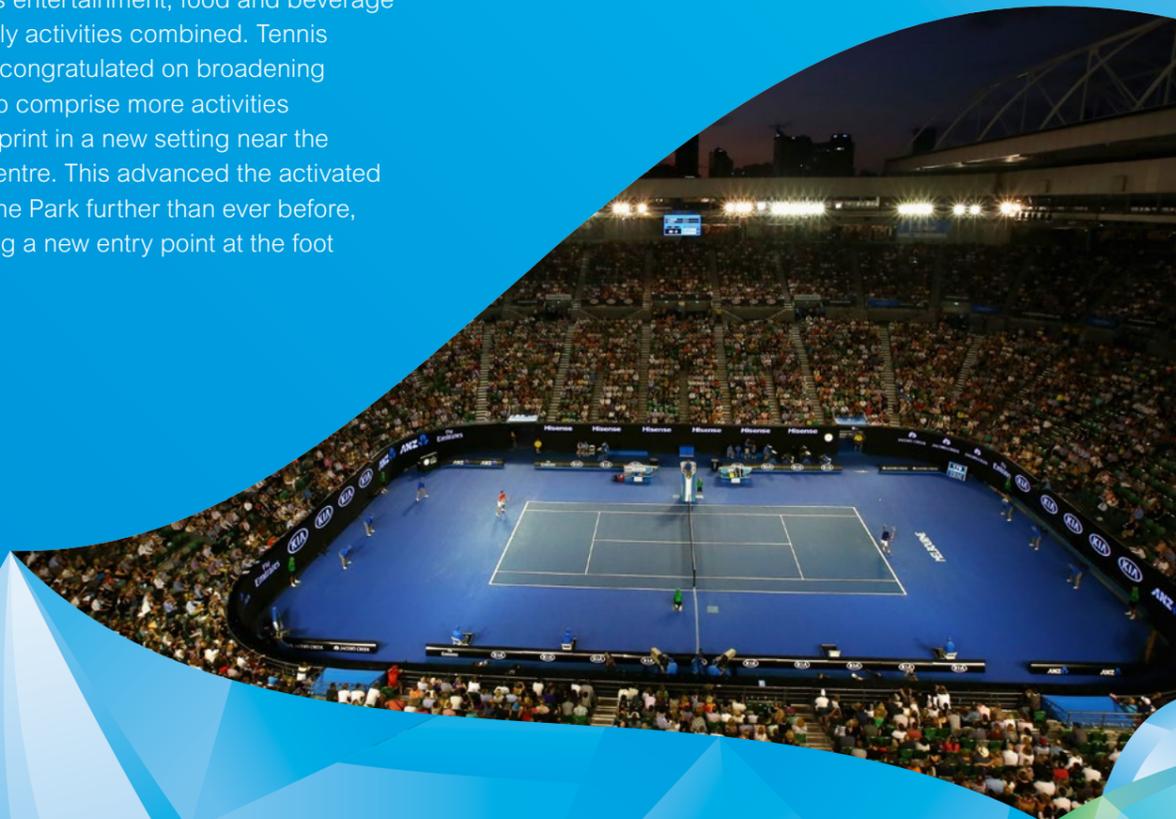
MELBOURNE PARK / AUSTRALIAN OPEN

The Australian Open once again attracted a record attendance, with 796,435 patrons attending the event, up from 743,667 in 2018. This success is a testament to Tennis Australia and their achievements in continuing to uphold the event's renowned standing in the Victorian sporting calendar and popularity - delighting fans and athletes and attracting more visitors every year with enhanced offerings. The world also turned its attention to Melbourne with more than 914 million hours of coverage viewed around the globe, up 26 per cent on the previous tournament. This year also featured the opening of the new Eastern Annex entrance at Rod Laver Arena, as part of Stage 2 of the Melbourne Park Redevelopment, which included new player facilities and food and beverage spaces.

The Grand Slam is considered a world-class event on all fronts. Growing crowds enjoyed an amazing experience across entertainment, food and beverage offerings and family activities combined. Tennis Australia must be congratulated on broadening the AO Ball Park to comprise more activities and a greater footprint in a new setting near the National Tennis Centre. This advanced the activated space of Melbourne Park further than ever before, also encompassing a new entry point at the foot

of Richmond Station. Grand Slam Oval featured a reinvigorated offering which introduced a theme of local Victorian produce along with the international themes as a nod to the other Grand Slams. Once again, the festival zone grew in popularity - with more exciting bands and artists playing. Food and hospitality were enhanced with more outlets than ever before, covering the broad spectrum of tastes and consumption styles - from premium options to casual, accessible and affordable.

Financial growth was also achieved off the back of this success, with a 7 per cent increase in income. The Australian Open continues to build both in breadth and depth of offerings; with a growing footprint and more activities on offer across more days, leading into and throughout the main tournament.



REPORT OF OPERATIONS

ROD LAVER ARENA

A milestone year was achieved at Rod Laver Arena, while continuing to operate amidst the constraints of ongoing construction works as part of the Melbourne Park Redevelopment.

This year saw 692,744 patrons attend 62 events. This was 15 more events and 229,592 additional patrons compared to the prior year. The return of P!NK in concert for a phenomenal run of 11 shows was a highlight, building on her legacy at the venue.

The ongoing refurbishment of the venue celebrated the unveiling of the Eastern Annex with its grand entrance, catering options and new spaces to enhance the guest experience. The new facilities comprise three levels of expanded food and beverage offerings all named

with historical significance to the site. The 'Balloon Bar' has already proven popular with the public beverages, 'Railyards Bistro & Bar' introduced a more premium sit-down eatery offering, while on the top floor – a rooftop bar and Superbox Lounge feature unrivalled views to the east over the precinct. These areas double as industry leading player facilities during the Australian Open.

Additional key guest priorities were achieved in improving patron amenities on the concourse, including significant accessibility upgrades designed following Universal Design principles, the upgrade of all merchandise facilities, installation of new seats in the arena bowl and roof modernisation.

EVENTS DURING THE YEAR INCLUDED:

André Rieu	Florida Georgia Line	Melbourne eSports Open (2 event days)	The Footy Show Grand Final Edition
Arctic Monkeys (2 shows)	Jim Jefferies	Michael McIntyre Live (2 shows)	The Wiggles – WIGGLE POP BIG SHOW! (5 shows)
Blackpink	JJ Lin	Nickelback	Twenty One Pilots – The Bandito Tour
Bring me the Horizon	John Mayer	P!NK in Concert (11 shows)	UFC 234
Bryan Adams	Katy Perry in Concert (3 shows)	Post Malone (3 shows)	Vance Joy in Concert (2 shows)
Celine Dion in Concert (2 shows)	Keith Urban (2 shows)	Red Hot Chili Peppers	
Cher (3 shows)	Kendrick Lamar (2 shows)	Sam Smith (2 shows)	
Def Leppard in Concert	Kevin Hart Live (2 shows)	Shania Twain in Concert (2 shows)	
Eagles – World Tour 2019 (2 shows)	Maroon 5		

MELBOURNE ARENA

Melbourne Arena remains our busiest venue with 93 events across the year, five less than the previous year. The venue welcomed an outstanding 377,000 patrons and upheld its strong standing from the year prior when Rod Laver Arena was unavailable during planned redevelopment closure periods, with only 78,000 fewer patrons and both venues available this year. Melbourne Arena's continued aim is to support an array of indoor sports by providing a cost-effective venue, structured and developed with specific facilities, equipment and technology.

The venue played host to strong seasons of home games for each of the tenant sporting clubs across both basketball and netball. A highlight in the calendar was the Suncorp Super Netball double-header event day, when the Melbourne Vixens and Collingwood Magpies played in back-to-back fixtures. Meanwhile Melbourne United once again dominated the NBL fixture and finished runners-up, with the venue hosting three final series games. The venue's dynamic versatility was also displayed when hosting the gymnastics Australian Championships and the International World Cup, as well as cycling, dancesports and Disney On Ice.

EVENTS DURING THE YEAR INCLUDED:

AFL Grand Final Village (2 event days)	International Federation of Gymnastics World Cup (4 event days)	Netball Quad Series (2 games)	Variety Australia Bikes4kids
Austral Wheel Race (2 event days)	Mayday	Panic! at the Disco	Victorian State School Spectacular 2018 (2 shows)
Australian Gymnastics Championships (12 event days)	Collingwood Magpies (5 home games)	Peking Duk	Wannaone World Tour
'Disney on Ice presents 100 Years of Disney Magic' (15 shows)	Melbourne United (13 home games)	Planetshakers Conference 2019 (4 event days)	World Series of Darts (3 shows)
Fast5 Netball World Series 2018 (2 event days)	Melbourne United (3 final series games)	The Prodigy	73rd Australian DanceSport Championship (3 shows)
Graham Tour 2019	Melbourne Vixens (6 home games)	Professional Bull Riders	
Harlem Globetrotters (2 games)	MYOB Partner Connect 2018 (2 event days)	Six Day Cycling (3 event days)	
		So Pop	
		Subculture 2018	
		Trevor Noah Live	

REPORT OF OPERATIONS

MARGARET COURT ARENA

Margaret Court Arena is renowned for its acoustic and atmospheric excellence by artists and fans alike, giving audiences an experience with an unrivaled sense of intimacy and supreme sound quality. The venue's primary focus to attract emerging entertainment and business events continued in 2019 with a number of diverse artists and events featured, offering new and existing audiences with a variety of entertainment options.

The venue experienced a quieter year overall, with 47 shows totalling 10 fewer than the previous year. A total of 151,000 patrons attended events, which was 31,000 fewer patrons compared to the prior year. This was largely due to a number of venue enhancements being completed during the year which are aimed at making the venue more attractive in this highly competitive market segment.

EVENTS DURING THE YEAR INCLUDED:

Amy Shark (2 shows)	Collingwood Football Club – Preliminary Final Live Site	IL DIVO	Orchestrated
Atif Aslam	David Byrne	Jeff Dunham Live	Parkway Drive
Basement Jaxx Vs The Metropolitan Orchestra	EY Annual Gala Ball	Jhene Aiko	PJ Masks Live! (6 shows)
Billie Eilish	FIBA World Cup Qualifiers (2 shows)	Kesha	Queens of the Stone Age (2 shows)
Bloc Party	George Ezra	League of Origin	Rudimental
Bob Dylan	Guo Degang - Deyunshe	L'Oreal Australia Townhall	Rufus Du Sol Rehearsals (2 event days)
Boyzone with Brian McFadden	Human Nature (2 shows)	Matt Corby	Slash
Bryan Ferry		Melbourne eSports Open (2 event days)	The 2019 All Star Bash
Carl Barron (2 shows)		Melbourne Vixens	7-Eleven Supplier Awards and Business Update
CHVRCHES		Monsta X	

MELBOURNE PARK FUNCTION CENTRE

The Melbourne Park Function Centre was only available for half of the year before the planned closure and demolition of the venue as part of Stage 3 of the Melbourne Park Redevelopment.

Planning for the highly anticipated new Function and Media Centre is well progressed. It has been announced that this exciting new venue will be known as 'Centrepiece' and is due for completion in 2022. It will provide a vital hub of connectivity for the precinct and boast a new auditorium, break-out rooms, expansive pre-function area and car park facility. Capable of hosting an array of large-scale to intimate corporate functions and events, the contemporary design will feature up to 2,000 square metres of indoor space and elevated views of Melbourne.



REPORT OF OPERATIONS

AAMI PARK

AAMI Park is a unique venue providing administrative and training facilities for multiple tenants across four sporting codes, as well as being Melbourne's only rectangular stadium.

The venue is the home ground for Melbourne Storm (rugby league), Melbourne Rebels (rugby union), Melbourne Victory and Melbourne City (soccer), and is also the administrative and training home to the Melbourne Football Club (AFL).

AAMI Park is also able to incorporate a select number of entertainment events between the sporting calendars, and this year it welcomed back Monster Jam and hosted two outstanding Phil Collins concerts.

During the year the venue attracted 664,000 patrons across 56 events. Fewer international sporting games and one less concert meant that this was down seven events and 148,000 fewer guests compared to last year. The stadium's spectacular coloured light design is also used to raise awareness for major events and community causes.

EVENTS DURING THE YEAR INCLUDED:

Asian Champions League
(3 matches)

Cup of Nations

FFA Cup - Round 16 – Melbourne City v Newcastle Jets

FFA Cup Quarter Final – Melbourne City v Western Sydney Wanderers

FFV Festival of Football
(NPL Finals)

Hyundai A-League Elimination Final – Melbourne Victory v Wellington Phoenix

Melbourne City
(13 home matches)

Melbourne Rebels
(8 home matches)

Melbourne Storm
(11 home matches)

Melbourne Victory
(8 home matches)

Monster Jam 2018
(2 shows)

NRL Preliminary Final – Storm v Cronulla Sharks

NRL Qualifying Final – Melbourne Storm v South Sydney Rabbitohs

NRL All-Stars: Harvey Norman All-Stars

Phil Collins
(2 shows)

WWL – Melbourne City v Melbourne Victory

MELBOURNE PARK REDEVELOPMENT AND OTHER CAPITAL IMPROVEMENTS

The transformation of Melbourne Park continues, with significant work undertaken during the year on Rod Laver Arena, most notably, the opening of the new Eastern Annex.

Works have also commenced on the third and final stage of the Melbourne Park Redevelopment, with demolition of the existing Melbourne Park Function Centre earlier this year, making way for the construction of a new Function and Media Centre, which is due to be completed in time for the 2022 Australian Open. A new multi-purpose show court arena and central logistics hub will also be delivered as part of the project. Construction costs for the Melbourne Park Redevelopment were \$129 million for the year.

More than \$21 million was also invested directly by the Trust on behalf of all Victorian taxpayers in other capital works to improve and upgrade facilities and infrastructure for the benefit of our tenants during the year, as well as to help in attracting more people from around the state, around Australia and around the world to enjoy the unique experience the precinct offers. This investment included:

MELBOURNE ARENA \$9.4M

Includes upgrades to the façade, operable roof, signage and basketball infrastructure;

ROD LAVER ARENA \$3.8M

Includes upgrades to the operable roof, rigging grid, spotlights, seating and signage;

OLYMPIC PARK PRECINCT \$3.1M

Includes upgrades to the Holden Centre façade, parapet LED signage, referees room upgrades, catering equipment, corporate suite balustrades, public Wi-Fi, ice baths and Gosch's Paddock rugby training field turf replacement;

MELBOURNE PARK PRECINCT \$2.6M

Includes upgrades to access control, stormwater harvesting, western outdoor tennis court scoreboards and lighting controls;

EQUIPMENT AND TECHNOLOGY \$2.3M

Includes upgrades to IPTV, CCTV cameras, information display screens, security and access, Point of Sale equipment, switches and corporate storage;

MARGARET COURT ARENA \$0.5M

Includes upgrades to storage, sports scoring systems and management offices.

COMMUNITY ENGAGEMENT

GOSCH'S Paddock AND OLYMPIC PARK OVAL

Gosch's Paddock is an important part of Melbourne's public recreational spaces and parkland areas and is heavily utilised throughout the year by the wider community. More than 950 planned club and community activities or events took place within the Olympic Park precinct. In addition, it is an important training space for AAMI Park tenant clubs; the Melbourne Football Club, Melbourne Victory, Melbourne Rebels and the Melbourne Storm.

The Trust continues to invest heavily in maintaining and improving the parkland and playing surfaces for both professional and recreational users. The entire playing surface for rugby league and rugby union was replaced, to ensure both the Melbourne Storm and Melbourne Rebels continue to be provided with an elite level training surface.

SPORTS DEVELOPMENT AND COMMUNITY ENGAGEMENT

Ensuring that the precinct maintains recreational space that is safe and accessible and can be enjoyed by all Victorians and visitors to the city is a key part of the Trust's role. Recreation space integral to the city and state, is made safe and accessible to the public, for valued uses and purposes. The Trust supports sporting and community organisations by providing preferential and affordable access to its venues at a subsidised rate, as well as facilitating many of their activities. Local community organisations are assisted in the staging of events, either financially or with specialised expertise, to raise funds or to support their constituents. This year's target of directly delivering six community events was also exceeded.

- Community events delivered included: Variety the Children's Charity (Bikes4Kids), the Starlight Foundation (Wiggles Sensory experience), Open House Melbourne, Football Victoria with Melbourne City FC and VicHealth (Gala Day), Upstream Foundation (Upstream Challenge) and Cancer Council (Walking Stars).

- Promoting 21 different charities and community groups by activating AAMI Park's unique roof lighting and Olympic Boulevard signage to support important causes.
- Regular use of the open spaces for activities and events, such as boot-camps, family days, charity fun-runs: The Upstream Foundation Fun Run, the Cancer Council's 'Walking Stars', and Football Victoria's 'This Girl Can' Gala Day with VicHealth.
- Casual sporting activities, running clubs, social sport.

In addition to the above activities, the Trust made a \$3.0 million Sports Development Transfer towards the Victorian Government's sport and recreation programs.



OUR PARTNERS

As part of its role to support a range of different sporting codes year round, the Trust provides critical support to enable the success of tenant clubs and helps them to run important community events to engage supporters and the wider public.



TENNIS AUSTRALIA

Tennis Australia continues to engage and drive benefits for the Victorian community, through its phenomenal platform of the Australian Open (AO) Grand Slam each January and participation in the sport. This was demonstrated by the inclusive nature of its initiatives. Tennis continues to lead the way when it comes to women's sport and the Australian Open has a long history of offering equal prizemoney along with putting female athletes on the global stage in prime time. As part of the #Open4All campaign, AO Woman of the Year Anna Wintour was featured in the AO Inspirational Series – based on the theme of Empowering Leaders – alongside Julie Bishop, Baz Luhrmann, Alan Joyce, Turia Pitt, Kim Clijsters and Ita Buttrose.

The Kia Ball Drive was back for a second year, with proceeds going to AO Community Grants, supporting local tennis programs and focusing on improving diversity and inclusion across Australia. Kids on Court sessions were created for diverse groups, including: Autism, wheelchair tennis, Aboriginal and Torres Straight islanders, cultural and linguistic diverse, persons with intellectual disabilities, deaf and hard of hearing, blind players and more. The Glam Slam, an LGBTQIA+ event, also had more than 175 players from 30 countries competing. The finals of Australia's largest annual event for people with an intellectual impairment were staged at Melbourne Park, with more than 40 players participating in the Australian Tennis Championships and legends Wally Masur and Pat Rafter presenting the trophies. A free concert headlined by Jon Stevens was also held to raise awareness for Beyond Blue, Tennis Australia's official charity partner.

MELBOURNE VICTORY

Melbourne Victory continued to provide the best match day experience in Australian football, enhancing investment in its precinct activations and "Victory Village". The club welcomed 347,947 patrons to home matches across the season and boasts the A-League's largest membership base, with 26,516 members signing up in 2018/19.

Delivering its important work in the community, the club reached 20,000 students in primary and secondary school programs, expanded its Junior Club program to 45 clubs and continued to engage with at-risk youth through weekly programs in nine local communities across the state. The Club commenced a 3-year commitment to take football to the Latrobe Valley, and proudly supported the VicHealth "This Girl Can Campaign", the Starlight Foundation and the Cancer Council Victoria.

MELBOURNE FOOTBALL CLUB

Melbourne Football Club's commitment to being progressive and inclusive, with tangible benefits for the Victorian community, was demonstrated through various initiatives. Melbourne Football Club is one of the elite sporting clubs that bases its administration and training out of AAMI Park and Gosch's Paddock. They achieved a record membership tally of 52,064 members (up 6,000 on the prior year) and played in front of more than one million fans during the 2018 season. The 'Welcome Game' inclusively encouraged new fans to embrace the sport and enjoy a range of fun cultural activities. The club collaborated with long time Charity Partner, Reach Foundation, to launch an integrated anti bullying campaign 'Tear Down Bullying'. On the back of training and administrative efforts, the team's progression to the 2018 Preliminary Final strengthened its relationship between fans, the club and the AFL.

MELBOURNE REBELS

This year was the Melbourne Rebels' equal most successful season – with 7 wins – placing the team second in the Australian Conference for the second consecutive year. Game day attendance for the 2019 Super Rugby season totaled 66,702 patrons, with the opening home game attracting 9,629 people to AAMI Park, the largest crowd of the year. Record numbers were also set in the Chairman's Club (2,054 guests) and premium match day experiences. The Club's membership XVs registrations also achieved a 7 per cent increase.

Melbourne Rebels also partnered with the Trust to deliver numerous Community initiatives and events this year. Two themed rounds highlighted societal issues and celebrated minority groups: International Women's Day and the Super W double-header promoting diversity and inclusion. Additional grassroots and community activities included the Under 18s pre-game match on Gosch's Paddock, the extension of the 'Get Into Rugby' program now at 70 schools across Victoria and forecasting 8,000 participants by the end of year, seven teams in the Women's top grade Lindroth Cup competition, the Quilt Program – an integrated rugby training/domestic violence education program which moved from being a pilot in 2018 to now being adopted in T3 curriculum at two partnered Rugby schools, as well as a partnership with the Victorian members of the Australian Steelers Wheelchair Rugby team.

MELBOURNE STORM

Melbourne Storm had another record year on and off the field, with average attendance figures at AAMI Park continuing to rise – now averaging above 17,000 per game and totalling more than 224,000 patrons across the season. A record membership number of more than 25,000 fans joined the club, meanwhile all corporate suites at AAMI Park were sold out. Critical to this growth has been Storm's match-day experience developed with the support of the Trust and ranked number one in the NRL six years running by Futures Sport research. The ANZAC Day pre-match entertainment has become a pinnacle event in the Melbourne Storm and Melbourne's sporting calendar and this year achieved another first with 3D mapping projected onto the internal roof. AAMI Park also hosted NRL Indigenous and Maori All Stars matches.

In partnership with the Trust, Melbourne Storm also delivered community events across the year including the annual Family Day, multicultural festival, mini-fan day, member appreciation events and many other touch football and rugby league exhibition matches at Gosch's Paddock and AAMI Park. The Club hosted a number of business-to-business events within the precinct, from our sponsor season launch to the newly created Melbourne Storm Leadership Series. Off the field, Melbourne Storm is the second most watched sporting team in the country, with nearly 20 million TV viewers watching the Storm in 2018 alone. The club has the second largest social media following of any AFL or NRL team in the country.

COLLINGWOOD FOOTBALL CLUB

Collingwood Football Club has had a major focus on promoting sport for women this year while operating seven teams across AFL, VFL, AFLW, VFLW, Suncorp Super Netball, Australian Netball League and AFL Wheelchair. Collingwood Magpies Suncorp Super Netball and Australian Netball League home games are held at Melbourne Arena. Collingwood achieved a membership of more than 85,000 and operated a wide range of programs and partnerships to help people facing disadvantage and homelessness, including engaging with Indigenous and multicultural communities, growing sport for women through increased participation and equal opportunity, and encouraging people with a disability to lead happier, more active lives.

The Club encourages community engagement with support from the Trust in establishing facilities at the Glasshouse and Holden Centre for greater public use. Through Olympic Park Oval and running track, Community Gymnasium and locker rooms and external toilet; a range of activities and programs are on offer to inspire people to be healthy and active. This links to the Yarra River Bike Trails and Botanic Gardens Tan Track, while providing safe amenities for the participation of women in active recreation and sport. Collingwood hosts and sponsors events for a range of community groups and charities – and supports other major events throughout the year. Groups which benefit on a regular basis include AFLW, VFL, personal training groups, amateur running groups, amateur sports clubs, visiting teams, people attending coaching and participation courses in netball and football, tour groups, members attending club events and clinics, supporters attending open training sessions, community football and netball programs and camps, along with school programs.





MELBOURNE UNITED

Melbourne United’s partnership with the Trust has allowed the Club to build its corporate, membership and community involvement initiatives this year, which in turn helps the club continue to provide the best basketball game day experience in Australia. Melbourne United progressed all the way through the Grand Final Series and set record attendances as Melburnians’ thirst for high-quality basketball rose to new levels. Average home attendance for the 2018/19 season at Melbourne Arena was 8,497 – up from 8,405 in 2017/18. This included four sold-out games (10,300 capacity) and a total attendance of 144,449. The Trust continued to put on not just a basketball game, but an entertainment experience which is unrivalled domestically.

Of respondents to the game day and club experience survey distributed by the National Basketball League (NBL), through its clubs to their databases and social/digital platforms, 28 per cent were families with mainly primary school children and 22 per cent were families with mainly high school children. Meanwhile, 48 per cent of respondents had children that played basketball. This highlights the large volume of families and young fans that attend Melbourne United games at Melbourne Arena. Melbourne United was further ranked first in the NBL for average attendance of 8,344 patrons across the fixture. With junior attendance and engagement at an all-time high, Melbourne United is providing inspiration for aspiring young athletes in Victoria and right across the country – making elite basketball accessible and live for fans, is vital to the continued development of basketball and healthy habits for young Victorians.

MELBOURNE VIXENS

As the most popular team sport for females in Victoria and the country, Netball Victoria and the Melbourne Vixens enrich lives through netball, in partnership with the Trust on multiple levels. The Melbourne Vixens broke its attendance record for home games at Melbourne Arena and netball continued to be a leader in the growth of women’s sports. Four Victorians represented Australia at the Commonwealth Games and 2019 Netball World Cup and seven Victorians were named in the squad in the lead up to the World Cup. Six Victorian netballers were named in Netball Australia’s 2018/19 National Talent Squad, identified as some of Australia’s brightest emerging talent.

Melbourne Arena and Margaret Court Arena’s facilities allow the Melbourne Vixens to deliver development opportunities through community events such as coaching and umpiring workshops held throughout the year. While match day partnerships with charities such as Breast Cancer Network Australia and FreezeMND have seen lives change for the better, every Melbourne Vixens home game saw more than 60 people contribute to the match day experience as staff or volunteers. With roles as players, support staff, umpires, bench officials or event operations, these touchpoints to netball are evidence of the passion for the game. The Zone Academy program was also re-launched as the Netball Victoria Talent Academy, to ensure athletes are developing and being exposed to quality coaching for progression.

TENANTS

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

VENUE PARTNERS

AAMI	Cirka	MSS Security	Tennis Australia
Adecco	Delaware North Companies Australia	O’Brien Group Australia	Ticketek
Capricorn Stages and Rigging	Microhire	St John Ambulance	

ARENA AND STADIUM HIRERS

Adrian Bohm Presents Pty Ltd	Football Federation Australia	Melbourne Storm Rugby League Club Ltd	Six Day Management (Australia) Pty Ltd
A-List Entertainment	Football Federation Victoria	Melbourne United Basketball Club	Solution Entertainment
André Rieu Productions BV	Frontier Comedy	Melbourne Victory Football Club	Southern Cross Austereo Pty Ltd T/a Fox FM
Australian Dancing Society Pty Ltd	Frontier Touring Company	MYOB Group	Tank Room Pty Ltd
Australian Football League	Gymnastics Australia Ltd	National Rugby League	TEG Dainty Pty Ltd
Cameron Project Management Pty Ltd	Illusive Presents Pty Ltd	Netball Australia	TEG Live Pty Ltd
Chinatown Cinema Corporation Pty Ltd	IME Productions Australia Pty Ltd	Netball Victoria	Tennis Australia
Chugg Touring and Events Pty Ltd	Laneway Presents Pty Ltd	One World Entertainment	The Billy Graham Evangelistic Association
Collingwood Football Club	Life Like Touring (Australia) Pty Ltd	Ozstars Entertainment Pty Ltd	The Hour Group Pty Ltd
Cycling Victoria	Live Nation Australasia Pty Ltd	Peanut Productions Pty Ltd	The Media Pad
Department of Education and Training	LK Entertainment Pty Ltd as trustee for The LK Entertainment Discretionary Trust	Planetshakers Ministries International Ltd	The Wiggles Australia Pty Ltd
Evolution Events Pty Ltd	L’Oreal Australia Pty Ltd	Professional Bull Riders Australia Pty Ltd	Vita Music Group Pty Ltd
Fab Events Pty Ltd	Melbourne City FC	SBM Presents Pty Ltd	World Series of Darts Ltd
Feld Entertainment Australia Pty Ltd	Melbourne Rebels Rugby Union Ltd	Secret Sounds	Zuffa Australia, LLC
		SF McFadyen T/A Resist Records	

FINANCIAL INFORMATION SUMMARY

FIVE YEAR FINANCIAL SUMMARY

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

	2019	2018	2017	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000
Income from transactions	122,201	111,689	94,452	97,143	91,391
Expenses from transactions	117,130	115,914	101,654	97,049	90,713
Net result from transactions	5,071	(4,225)	(7,202)	64	678
Net result from the period	270	(4,229)	(19,996)	244	745
Net cash flow from operating activities	7,593	60,558	32,200	(14,692)	33,409
TOTAL ASSETS	2,306,664	2,182,106	2,038,320	1,548,168	1,436,532
TOTAL LIABILITIES	96,302	101,775	61,865	52,089	78,333

COMPREHENSIVE OPERATING STATEMENT

The net result from transactions for the year ended 30 June 2019 was a surplus of \$0.27 million (2018: \$4.2 million deficit). Earnings before interest, depreciation, asset write downs and Sports Development Transfer, resulted in a \$42.1 million positive result being recorded, compared with \$38.4 million in 2017/18.

REVENUE

The comprehensive operating statement of the Trust for the year ended 30 June 2019 reports total income from transactions of \$122.2 million, which is an increase of \$10.5 million (9.4 per cent) from the previous year.

The result was underpinned by growth in sales of goods and services which increased by \$9.9 million (9 per cent) from 2017/18. This was achieved through the 15 additional show days at Rod Laver Arena and the higher attendances at this year's Australian Open. The increase in revenue was also attributed to a \$0.46 million increase in interest yielded.

EXPENSES

Total expenses from transactions, as defined in the financial statements, totalled \$117.1 million (2018: \$115.9 million).

Costs of goods sold/distributed and purchases of services have increased by \$2 million (8 per cent) from the previous year, which can be attributed to the increase in revenue.

Employee expenses have increased by \$1.9 million (10 per cent), which is representative of the additional labour requirements to resource the increased activity across the precinct and increases in salaries consistent with Victorian Public Sector (VPS) guidelines.

Depreciation and amortisation expenses of \$36.1 million (2018: \$37.6 million) have decreased compared to the prior year primarily due to assets being fully depreciated in the current year.

The Trust made a Sports Development Transfer of \$3 million during the year (2018: \$6.1 million). During 2017/18 the Trust increased its annual financial transfer to the State from \$6 million to \$6.1 million. In 2018/19, the annual financial transfer returned to its previous amount of \$3 million per annum.

BALANCE SHEET

The balance sheet of the Trust as at 30 June 2019 reports net assets of \$2.21 billion (2018: \$2.08 billion).

ASSETS

Total cash and cash equivalents as at 30 June 2019 were \$85.0 million (2018: \$85.8 million). For financial reporting disclosure purposes, cash and cash equivalents includes ticket sales for future events of \$75.7 million, with this value also recognised as a liability.

The Trust held a net cash balance of \$83.5 million as at 30 June 2019 (2018: \$69.6 million) including term deposits of \$74.2 million. This excludes any monies relating to ticket sales for future events.

Term deposits held by the Trust, with a maturity date greater than three months, have increased by \$14.1 million (2018: \$60.1 million) as reported in other financial assets. This increase is mainly attributed to the strong financial result for 2018/19 and the timing of cash flows for operational and capital expenditure incurred during the year.

Property, plant and equipment and intangible assets have increased by \$83.4 million. This increase reflects asset additions from completed capital projects during the year, including redevelopment assets for the Rod Laver Arena Eastern Annex and Roof Modernisation. Asset holdings were partly offset by the demolition of the Function Centre in February 2019.

Prepayments have increased by \$27.7 million. This increase can be mainly attributed to unspent funding relating to the Melbourne Park Redevelopment.

LIABILITIES

Payables have decreased by \$3.4 million. This decrease is mainly due to a decrease in event settlements owing at the end of the financial year.

Other liabilities of \$81.9 million have decreased by \$2.8 million on the prior year. This amount also represents \$75.7 million in ticket sales for future events as at 30 June 2019 (2018: \$76.3 million). Tickets sales for future events is also reported under cash and cash equivalents.

CASH FLOW STATEMENT

The cash flow statement reports a decrease of \$0.8 million in cash held (2018: \$3.5 million decrease). Total cash and cash equivalents as at 30 June 2019 were \$85.0 million (2018: \$85.8 million).

Cash flows from operating activities were \$7.6 million for the year (2018: \$60.6 million). The decrease this year relates to timing of receipts and payments relating to business operations.

Cash flows used in investing activities reflects assets purchased and expenditure on capital improvements, most notably the Melbourne Park Redevelopment. Purchases of non-financial assets totalled \$124.1 million (2018: \$116.8 million).

Cash flows from financing activities represent funds received from the Victorian Government towards the Melbourne Park Redevelopment of \$129.8 million (2018: \$108.1 million).

STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity records a net increase of \$130 million to \$2.21 billion. The movement in this statement represents the increase in contributions by owner (Victorian Government contribution towards the Melbourne Park Redevelopment) and the profit recorded for the year.

GOVERNANCE

THE MELBOURNE AND OLYMPIC PARKS ACT 1985

The Melbourne and Olympic Parks Trust (The Trust) was established on 5 October 1995 pursuant to the provisions of the *Melbourne and Olympic Parks Act 1985* (as amended). It was created by the merger of the National Tennis Centre Trust (established 13 November 1985) and the Olympic Park Committee of Management (formed originally 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, except for sections 24-28, which are administered by the Minister for Energy, Environment and Climate Change.

THE PURPOSE OF THE ACT

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

- To create a Melbourne and 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.
- To provide for the management and operation of the National Tennis Centre and Olympic Park.
- To provide for the use and promotion of the National Tennis Centre and Olympic Park.
- 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.

Under the Act the Trust has the following primary functions:

- 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.
- To accept appointment and act as a committee of management of Crown lands.

STATEMENT OF CORPORATE GOVERNANCE

Procedures have been established at the Trust and executive management level, which are designed to safeguard the assets and interests of the Trust and to ensure integrity of reporting. The Trust acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all Trustees and employees of the Trust.

GOVERNANCE

TRUSTEES

- Mr Russell Caplan (Chair)
- Ms Jacinda Dixon
- Mr Patrick Flannigan
- Ms Catherine Friday
- Mr Mark Hawthorne (from 9 April 2019)
- Ms Jayne Hrdlicka
- Ms Diana Nicholson
- Mr John Ribot-de-Bresac
- Mr Kenneth Roche AO
- Ms Liberty Sanger
- Ms Emma Sherry
- Ms Janice van Reyk

PEOPLE AND REMUNERATION COMMITTEE

The People and Remuneration Committee was established to review and make recommendations to the Trust with regard to the policy requirements of the Victorian Government and assist it in fulfilling the Trust's obligations for good corporate governance in relation to the following areas:

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

The members of the Committee during the year ended 30 June 2019 were:

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

FINANCE, AUDIT AND RISK COMMITTEE

The Trust has established a Finance, Audit and Risk Committee to lead an oversight role in financial governance and financial reporting matters.

It is actively involved in:

- Monitoring financial management compliance issues, particularly in the identification of risk areas and the monitoring of associated rectification plans.
- Reviewing the integrity of reporting and internal control structures.
- Overseeing the financial performance of the entity.
- Monitoring and reporting on all aspects of risk.

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 2019 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 is established to provide independent and expert advice to assist the Trust to discharge its strategic planning responsibilities. The purpose of the committee is to:

- Monitor and inform the Trust of developments and trends that may influence the Trust's ability to effectively achieve its goals.
- Oversee the development of the strategic plan.
- Monitor implementation of the strategic plan.
- Review and recommend to the Trust 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 2019 were:

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

GOVERNANCE

EXECUTIVE MANAGEMENT

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

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

Chief Operating Officer
Mr Andrew Travis

Chief Financial Officer
Mr Travis Mardling

Director People Strategy
Ms Tania Hannath

CEO DIRECT REPORTS

The CEO's direct reports as at 30 June 2019 were as follows:

CHIEF EXECUTIVE OFFICER MR BRIAN MORRIS						
CHIEF FINANCIAL OFFICER	CHIEF OPERATING OFFICER	CORPORATE COMMUNICATIONS MANAGER	DIRECTOR PEOPLE STRATEGY	DIRECTOR INFRASTRUCTURE	MANAGER INFORMATION TECHNOLOGY	MANAGER STRATEGY AND SYSTEMS
MR TRAVIS MARDLING	MR ANDREW TRAVIS	VACANT	MS TANIA HANNATH	MR CLINT WALKER	MR VAIVAB BORGHAIN	MR BEN GOODWIN

On 31 July 2019, Mr Brian Morris vacated the role of CEO and on 5 August 2019 Mr John Harnden commenced in this role.

OCCUPATIONAL HEALTH AND SAFETY (OH&S)

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 so far 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 which control risk activities, increase awareness of health and safety, and prevent injuries and illnesses.
- Providing sufficient 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/New Zealand Standard 4801 – Occupational Health and Safety Management Systems (AS4801). This achievement is underpinned by the Trust's leadership driven safety culture,

which encourages collaboration, consultation and ownership of safety at all organisational 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 both its strategic safety targets for event guest injuries, and employee lost time injuries.
- Occupational Health and Safety System was audited and certification was maintained to the requirements of AS4801.
- 89 workplace safety inspections were undertaken, covering all designated workgroup areas across the precinct.
- 99 designated work group toolbox meetings and 11 Health and Safety Committee meetings were held.
- 555 hazards were identified, reported and controlled. This was an increase of 33 per cent from the previous period.

A full copy of the Trust's Health and Safety policy is available on the Trust's website – www.mopt.com.au

GOVERNANCE

SUSTAINABILITY AND ENVIRONMENT

The Trust is committed to being an environmentally responsible organisation and is working to reduce energy, water consumption and generation of waste in its efforts to deliver benefits to the people of Victoria.

A number of activities were undertaken across the 2018/19 financial year to continually improve sustainability practices. These included:

- Construction of the Eastern Annex at Rod Laver Arena, with the design certified to the Leadership in Energy and Environmental Design (LEED) Gold Standard. LEED recognises best-in-class building strategies and practices. In order to receive LEED certification, building projects must satisfy prerequisites and earn points to achieve different levels of certification. It is the most internationally recognised certification of its kind.
- Energy efficiency improvements at Margaret Court Arena and Melbourne Arena, yielding reductions in electricity consumption.
- Continuing to improve the efficiency of the solar installations on the precinct.
- Commencement of a joint project with City West Water to significantly increase the catchment area for the water harvesting and storage system, aiming to reduce dependence on potable water by 10 per cent.
- Total harvested water use for the year was over 28.7 million litres.

WORKFORCE DATA

PUBLIC SECTOR VALUES AND EMPLOYMENT PRINCIPLES

The Trust is committed to two codes issued by the Public Sector Standards Commissioner (PSSC), being the Director Codes of Conduct and Guidance Notes and the Code of Conduct of Victorian Public Sector employees.

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

COMPARATIVE WORKFORCE DATA

The Trust employed 102 full time and part time staff as at 30 June 2019 (2018: 101). The number of Full Time Equivalent (FTE) staff at 30 June 2019 was 112 (2018: 97). The number of fixed term and casual employees at 30 June 2019 was 548 (2018: 609) and a large number of contractors provided by our key partners also contribute to the precinct's workforce (Adecco, Capricorn Stages and Rigging, Cirka, Microhire, Delaware North Companies, MSS Security, O'Brien Group Australia, St John Ambulance and Ticketek).

The breakdown of staff is as follows:

JUNE 2019						
ONGOING						
	Total Employees (Headcount)	Full Time (Headcount)	Part Time (Headcount)	FTE	Fixed Term (Headcount)	Casual (Headcount)
Male	349	53	4	64	8	284
Female	301	36	9	48	6	250
Executive	4	0	0	4	4	0
Administration & Support Staff	87	69	8	84	10	0
Event & Venue Staff	559	20	5	24	0	534
TOTAL EMPLOYEES	650	89	13	112	14	534
JUNE 2018						
ONGOING						
	Total Employees (Headcount)	Full Time (Headcount)	Part Time (Headcount)	FTE	Fixed Term (Headcount)	Casual (Headcount)
Male	380	44	11	54	12	313
Female	330	36	10	43	6	278
Executive	4	0	0	0	4	0
Administration & Support Staff	73	56	8	61	9	0
Event & Venue Staff	633	24	13	36	5	591
TOTAL EMPLOYEES	710	80	21	97	18	591

GOVERNANCE

WORKFORCE DATA (CONT.)

DIVERSITY & INCLUSION STATEMENT

The Trust is committed to actively fostering diversity and promoting inclusion within its workforce to ensure that it delivers services that meet the needs of all Victorians.

The organisation aims to ensure that we reflect the diversity of the Victorian community within our workforce and to ensure that the Melbourne & Olympic Parks (M&OP) precinct is welcoming, safe and inclusive. With the Trust's services being delivered by individuals and teams from many different organisations, whether directly employed or employed by a business partner, all persons are expected to model respectful and inclusive behaviours in the workplace and in their service to customers and the community.

This means that:

- Every person working for the Trust, no matter who employs them, feels comfortable in bringing their whole self to work and are provided with the opportunity to thrive in an accepting and supportive environment.
- Our clients, guests and other visitors to our precinct are treated with dignity and respect by every individual who works at Melbourne & Olympic Parks (M&OP) .

There are six priority areas that the Trust is focused on, to foster diversity and promote an inclusive culture. These are:

- Achieving gender equality in employment, remuneration and career development.
- Creating a welcoming culture and an environment free from discrimination, harassment or bullying.
- Providing equal accessibility and inclusion for persons of all abilities in an inclusive workplace with resources and support to enable employees with disabilities to contribute at their best.
- Equipping leaders with the skills and capabilities to manage diverse teams and create collaborative and inclusive work environments.
- Embedding new ways of working that promote work-life balance and support flexible work practices appropriate to our business environment.
- Measuring and communicating progress against appropriate targets.

OTHER DISCLOSURES

LOCAL JOBS FIRST

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

The Trust is required to apply the Local Jobs First policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

There were three contracts put to market by the Trust in 2018/19 to which the VIPP applied as they were valued at more than \$3 million. These three contracts are in the process of being negotiated.

GOVERNMENT ADVERTISING EXPENDITURE

There were no advertising campaigns that triggered the disclosure threshold of \$100,000 in the 2018/19 financial year.

CONSULTANCY EXPENDITURE

DETAILS OF CONSULTANCIES OVER \$10,000

CONSULTANT	PURPOSE OF CONSULTANCY	START DATE	END DATE	TOTAL EXPENDITURE 2018/19 (EXCLUDING GST)	FUTURE COMMITMENTS
Lehr Consultants International (LCI)	Advice on the migration of various fire system measures to the one Australian Standard	Dec-18	Apr-19	\$32,920	Nil
Ludus Group Pty Ltd	AAMI Park Upgrade Options Assessment	Jul-18	Nov-18	\$54,050	Nil

DETAILS OF CONSULTANCIES LESS THAN \$10,000

NUMBER : 2
TOTAL AMOUNT: \$13,000

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2018/19 reporting period, the Trust had a total ICT expenditure of \$5,505,000 with the details shown below.

BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON-BUSINESS AS USUAL (NON-BAU) ICT EXPENDITURE (Total = Operational expenditure and Capital Expenditure)	OPERATIONAL EXPENDITURE	CAPITAL EXPENDITURE
1,944	3,561	154	3,407

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

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the Trust. For the 12 months ending June 30 2019, the Trust received two Freedom of Information requests.

Freedom of Information requests can be submitted to:

Melbourne and Olympic Parks Trust
GPO Box 4611, Melbourne VIC 3001

Requests can also be lodged via email to foi@mopt.vic.gov.au.

All requests must be accompanied by the application fee of \$29.60 (but may be waived in certain circumstances) and must 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, pursuant to 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 PROTECTED DISCLOSURE ACT 2012

The Trust is committed to the aims and objectives of the Protected Disclosure Act. 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. Therefore, if you wish to make a disclosure about the Trust, its officers, members or employees, you will need to make that disclosure directly to the 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 the IBAC. The IBAC will deal with the disclosure. Procedures in relation to the *Protected Disclosure Act 2012* are available on the Trust's website.

COMPLIANCE WITH DISABILITY ACT 2006 (VIC)

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. A key focus of the Melbourne Park Redevelopment has been the inclusion of universal design principles. This proactive work ensures the design of new buildings or upgraded infrastructure are centred around improved access for all Victorians.

Throughout the course of this financial year, the Trust continued to implement its Disability and Inclusion Action Plan (DIAP); setting short, medium and long term goals to improve the guest experience for people with a 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, with the provision of 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 is centred around improved access for all Victorians.

Through this year's installment of the Melbourne Park Redevelopment, the following has been achieved based on Universal Design principles:

- Universal Design entrances and pathway links (pathways being a continued focus in Stage 3 of the precinct's redevelopment);
- Introduction of non-mechanical access to Rod Laver Arena i.e. ramps;
- Upgraded accessible toilets in existing areas;
- Provision of hearing augmentation within the venues;
- Provision of unisex accessible toilets;
- Provision of the precinct's second "changing places" facility, to be opened late 2019;
- New food concessions and retail facilities to be provided, incorporating lower height accessible service counters;
- Wider stairs for walking guests to provide improved egress requirements;
- Ongoing improved access to arena floors and the provision of house facilities for athletes, performers and support staff;
- Increased rest seating;
- Handrails on all stairs within Rod Laver Arena's seating bowl.

Additional implementations over the past 12 months have included enhanced navigation and wayfinding, an enhanced digital map showing step-free routes through the precinct, improved overhead signage with the international disability symbol, and incorporating 'customer first' language in all accessibility information.

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 its Disability Inclusion Action Plan (DIAP) 2019 – 2021, which will be implemented later this year. The DIAP aligns with the National Disability Strategy 2010 – 2020 and fulfils legislative obligations under the *Victorian Disability Act 2006*, the *Victorian Equal Opportunity Act* and the *Commonwealth Disability Discrimination Act 1995*. A copy of the plan is available at www.mopt.com.au.

Further commitment to a range of actions for achieving greater inclusion among the community included partnership with Get Skilled Access as an expert consultancy, engaging with communities in understanding their experiences within our venues. The Trust undertook a program where mystery guests with a range of mobility, sensory or intellectual disabilities attended a large cross-section of events. The Trust also partnered with key stakeholders (such as Public Transport Victoria, Yarra Trams and the Commercial Passenger Vehicles Victoria (CPPV)) to ensure accessible trams and taxis are available for as many events as possible. The Trust also worked in partnership to offer sensory spaces at certain events, including Melbourne Vixens Netball, NRL and Melbourne Storm and family Events (such as Disney On Ice and Monster Jam).

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

The Trust's Diversity & Inclusion Statement is committed to actively fostering these behaviours. We measure progress through our Bi-Annual Alignment & Engagement Survey and the People Matters Survey.

The Trust developed and delivered in-person and on-line training to our event delivery customer-facing workforce, incorporating customer needs of patrons of all abilities into all staff training programs. Additionally, Toolbox Safety sessions and information have focused on Disability Awareness across the precinct and our leaders and Human Resources team actively work with current employees with disabilities to reduce barriers in an inclusive workplace with resources and support in place to enable employees with disabilities to contribute at their best.

ADDITIONAL DEPARTMENTAL INFORMATION AVAILABLE ON REQUEST

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

The information is available on request from:
Melbourne and Olympic Parks Trust
Phone: (03) 9286 1600
Email: enquiries@mopt.vic.gov.au

OTHER DISCLOSURES

COMPLIANCE WITH DATAVIC ACCESS POLICY

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, all data tables included in this annual report will be available at www.data.vic.gov.au in electronic readable format.

GOSCH'S PADDOCK

From 10 December 2018 to 27 January 2019 the Gosch's Paddock Rugby Training Field (GP1A) was closed for the replacement of turf. These works were undertaken to provide both the Melbourne Storm and Melbourne Rebels with an elite level training surface.

At all other times Gosch's Paddock remained open throughout the 2018/19 year.

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 complied with the applicable Standing Directions 2018 under the *Financial Management Act 1994* and Instructions.



Russell Caplan
Chair
Melbourne and Olympic Parks Trust

MELBOURNE & OLYMPIC PARKS TRUST

FINANCIAL YEAR ENDED 30 JUNE 2019

FINANCIAL STATEMENTS

COMPREHENSIVE OPERATING STATEMENT

BALANCE SHEET

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CASH FLOW STATEMENT

NOTES TO FINANCIAL STATEMENTS

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED JUNE 2019

	NOTES	2019 \$'000	2018 \$'000
INCOME FROM TRANSACTIONS			
Sales of goods and services	2a	120,002	110,016
Interest		1,517	1,058
Other Income	2b	682	615
TOTAL INCOME FROM TRANSACTIONS		122,201	111,689
EXPENSES FROM TRANSACTIONS			
Cost of goods sold/distributed	3a	16,667	16,614
Purchase of services	3b	29,111	27,130
Employee expenses	3c	21,988	20,059
Depreciation & amortisation	9	36,123	37,577
Other operating expenses	3d	10,241	8,434
Sports Development Transfer	3e	3,000	6,100
TOTAL EXPENSES FROM TRANSACTIONS		117,130	115,914
NET RESULT FROM TRANSACTIONS (NET OPERATING BALANCE)		5,071	(4,225)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4a	(4,939)	2
Net gain/(loss) arising from revaluation of long service liability	4b	138	(6)
TOTAL OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT		(4,801)	(4)
Net result		270	(4,229)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to the net result			
Change in Asset Revaluation Reserve	9	-	-
TOTAL OTHER COMPREHENSIVE INCOME		-	-
Comprehensive result		270	(4,229)

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

BALANCE SHEET AS AT 30 JUNE 2019

	NOTES	2019 \$'000	2018 \$'000
ASSETS			
FINANCIAL ASSETS			
Cash and cash equivalents	5	84,999	85,806
Receivables	6	4,690	4,466
Other financial assets	7	74,200	60,150
TOTAL FINANCIAL ASSETS		163,889	150,422
NON-FINANCIAL ASSETS			
Prepayments	8	65,161	37,478
Property, plant and equipment and intangible assets	9	2,077,614	1,994,206
TOTAL NON-FINANCIAL ASSETS		2,142,775	2,031,684
TOTAL ASSETS		2,306,664	2,182,106
LIABILITIES			
Payables	10	10,064	13,490
Provisions	11	4,296	3,585
Other liabilities	12	81,942	84,700
TOTAL LIABILITIES		96,302	101,775
NET ASSETS		2,210,363	2,080,331
EQUITY			
Accumulated surplus		179,828	179,558
Reserves		823,184	823,184
Contributed capital		1,207,351	1,077,589
NET WORTH		2,210,363	2,080,331
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 JUNE 2019

	NOTES	PHYSICAL ASSET REVALUATION SURPLUS \$'000	ACCUMULATED SURPLUS \$'000	CONTRIBUTIONS BY OWNER \$'000	TOTAL \$'000
BALANCE AT 30 JUNE 2017		823,184	183,787	969,484	1,976,455
Net Result for the Year		-	(4,229)	-	(4,229)
Transactions with owners in their capacity as owners		-	-	108,105	108,105
Revaluation of Assets	9	-	-	-	-
BALANCE AT 30 JUNE 2018		823,184	179,558	1,077,589	2,080,331
Net Result for the Year		-	270	-	270
Transactions with owners in their capacity as owners		-	-	129,762	129,762
Revaluation of Assets	9	-	-	-	-
BALANCE AT 30 JUNE 2019		823,184	179,828	1,207,351	2,210,363

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED JUNE 2019

	NOTES	2019 \$'000	2018 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Receipts from customers		86,384	92,537
Customer receipts on behalf of suppliers		207,440	227,253
Interest received		1,517	1,058
Goods and Services Tax received from the ATO		12,433	15,432
Other Receipts		682	615
TOTAL RECEIPTS FROM OPERATING ACTIVITIES		308,456	336,895
PAYMENTS			
Payments to suppliers and employees		(80,943)	(67,958)
Payments to suppliers on behalf of customers		(208,098)	(192,575)
Goods and Services Tax paid to the ATO		(8,822)	(9,704)
Payments to Government (financial transfer)		(3,000)	(6,100)
TOTAL PAYMENTS FROM OPERATING ACTIVITIES		[300,863]	[276,337]
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	18b	7,593	60,558
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(124,114)	(116,829)
Payments for other financial assets		(14,050)	(55,400)
Receipts on sale of non-financial assets		2	2
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		[138,162]	[172,227]
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from Government (capital)		129,762	108,105
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		129,762	108,105
Net increase/(decrease) in cash and cash equivalents		(807)	(3,564)
Cash and cash equivalents at the beginning of the financial year		85,806	89,370
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	18a	84,999	85,806

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

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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 (AAS), which includes the Australian accounting standards 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 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.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 25.

These annual financial statements were authorised for issue by the Trustees on 28 August 2019.

(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(k)); 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(n)).

Consistent with AASB 13 Fair Value Management, Melbourne and Olympic Parks Trust (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.

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 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 utilised the services of Napier & Blakeley, a third party valuer to determine fair value of the Trust's assets. The Trust's assets were last 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). Works in Progress relating to the redevelopment have not been included in the revaluation.

The Trust, in conjunction with 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 FRD 103H, given the last valuation was performed in 2016/17, the Trust's management conducted an annual fair assessment of land and buildings as at 30 June 2018 and 30 June 2019. To facilitate the assessment of land, management obtained from the Department of Treasury and Finance the Valuer-General Victoria indices for the financial year ended 30 June 2019.

The indexed value was then compared to individual assets written down book value as at 30 June 2018 to determine the change in their fair values. As a result of this analysis, there was no material financial impact on change in fair value of property, plant, and equipment.

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 2019 and the comparative information presented for the year ended 30 June 2018.

(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*.

Its principal address is:

Melbourne and Olympic Parks Trust
Batman Avenue
Melbourne VIC 3001

Objectives and funding

The *Melbourne and Olympic Parks Act 1985* outlines that the purpose of the Melbourne and Olympic Parks Trust is to administer, manage and promote the use of Melbourne and 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;
- Supports 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, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows – other comprehensive income'. The sum of the former 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;
- revaluation of long service leave liability.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(D) SCOPE AND PRESENTATIONS OF FINANCIAL STATEMENTS (CONT.)

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

Refer to Note 25 Glossary for the 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.

For cash flow statement presentation purposes, cash and cash equivalents.

Statement of changes in equity

The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately 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'.

(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 which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which 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 which arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

(F) GOODS AND SERVICES TAX (GST)

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 acquisition of 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 which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(G) COMPARATIVES

Where applicable, the comparative figures have been restated to align with the presentation in the current year. Term deposits with maturities greater than 90 days have been reclassified from cash and cash equivalents to other financial assets. In addition,

figures have been restated in notes 2(a) Sales of goods and services and 3(c) Employee expenses.

(H) INCOME FROM TRANSACTIONS

Income is measured at the fair value of the consideration received or receivable. Amounts disclosed as income are net of returns, trade allowances and duties and taxes.

Sale of goods and services

Sale of goods and services is recognised upon delivery of the goods and services to the customer and when the Trust gains control of the underlying assets. This includes income from catering and merchandising sales and rental income from tenants in the buildings on the precinct which is recognised for the period in which it relates.

Interest

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(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 considerations given by the Trust in exchange for service rendered by employees or for the termination of employment. This includes wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation

The amount recognised in the comprehensive operating statement is the employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

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

Depreciation & Amortisation

In compliance with Australian Accounting Standard AASB116 Property, Plant and Equipment, depreciation and amortisation has been charged on all fixed assets 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 one hundred and ten years. The Trust's policy is to capitalise assets valued over \$5,000, whilst assets of less than \$5,000 in value are expensed immediately. (2018: \$5,000) .

The following are typical estimated useful lives for different asset classes for both current and prior years:

ASSET CLASS	USEFUL LIFE	
	2019	2018
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

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 payment made by the Trust to the Government for support of sport and recreation programs.

(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:

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(J) OTHER ECONOMIC FLOWS INCLUDED IN THE NET RESULT (CONT.)

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 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 fair value less costs 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

From 1 July 2018, the Trust applies AASB 9 and classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms.

Category of financial asset under AASB 9

Financial assets at amortised cost

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

- the assets are held by the Trust to collect the contractual cash flows;
- 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);
- term deposits.

Impairment of financial assets under AASB 9 – applicable from 1 July 2018

From 1 July 2018, the Trust has been recording the allowance for expected credit losses for the relevant financial instruments, replacing AASB 139's incurred loss approach with AASB 9's Expected Credit Loss approach. Subject to AASB 9, the impairment assessment includes the Trust's contractual receivables and statutory receivables.

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

On this basis, the Trust determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year to be Nil.

Credit loss allowance is classified as other economic flows in the profit and loss. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired.

Statutory receivables

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 of expected losses. No loss allowance recognised at 30 June 2018 under AASB 139. No additional loss allowance required upon transition into AASB 9 on 1 July 2018.

Categories of financial assets previously under AASB 139

Loans and receivables and cash

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using effective interest method (and for assets, less any impairment).

Loans and receivables category includes cash and cash equivalents (refer to Note 1 (L)), term deposits

with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Provision of impairment for financial assets is calculated based on past experience, and current and expected changes in client credit ratings.

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, deposits held and advances received, and interest-bearing arrangements other than those designated at fair value through profit or loss.

(L) 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 and cash at bank, deposits at call and those 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, and which 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 include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- contractual receivables, which include mainly 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.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(L) ASSETS (CONT.)

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.

Property, plant and equipment

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

Revaluations of Non-Current Physical Assets

Non-current 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 are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the 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.

(M) 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.

Other

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.

(N) 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 that 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 goods and services tax and fringe benefits tax payables.

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 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.

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 and 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 is recognised, and is 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 long service leave representing 7 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 long service leave (LSL) is recognised in the provision for employee benefits.

The components of this current LSL liability are measured at:

- **Present Value** – component that the Trust does not expect to wholly settle within 12 months; and
- **Nominal Value** – component that the Trust expects to wholly settle within 12 months.

Non-current liability – conditional LSL (representing less than seven years of continuous service for staff) 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 balance sheet date are discounted to present value.

Employee Benefit On-costs

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

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(O) INCOME TAXES

The Australian Taxation Office has deemed the Trust to be a "Public Authority" within the terms of Section 50-25 of the *Income Tax Assessment Act 1997* 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.

(P) 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, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivables or payables respectively.

(Q) ROUNDING OF AMOUNTS

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

(R) CONTRIBUTED CAPITAL

Transfers from the Department of Health and Human Services and Department of Jobs, Precincts and Regions were for capital purposes and have been treated as contributed capital.

(S) 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

All leased assets are classified as operating leases.

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

(T) 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 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.

(U) AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new AASs have been published that are not mandatory for the 30 June 2019 reporting period. The Department of Treasury and Finance (DTF) 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 SECTOR ENTITY FINANCIAL STATEMENTS
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities. This standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 January 2019	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. Management are of the view that there is unlikely to be a material financial impact arising from the new Standard.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1 January 2019	The Trust will recognise certain operating leases as a right of use asset from 1 July 2019, valued at \$1,090,119. The Trust will also recognise a corresponding lease liability for \$1,090,119. This will be represented by a current liability of \$165,629 and non-current liability of \$924,491. In the operating statement, the operating lease expense will be replaced by depreciation expense of the asset and an interest charge.
AASB 1058 Income of Not-for-Profit Entities	This Standard will replace AASB 1004 Contributions and establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objectives.	1 January 2019	The impact on current revenue recognition of the changes is the phasing and timing of revenue recorded in the profit and loss statement. Management are of the view that there is unlikely to be a material financial impact arising from the new Standard.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

2. INCOME FROM TRANSACTIONS

	NOTES	2019 \$'000	2018 \$'000
(A) SALES OF GOODS AND SERVICES			
Sale of goods		33,431	32,581
Rendering of services		86,570	77,435
		120,002	110,016
(B) OTHER INCOME			
Delaware North Australia Capital Contribution		513	615
Government Grants		165	-
Cancelled Event Ticket Income		4	-
		682	615

3. EXPENSES FROM TRANSACTIONS

(A) COST OF GOODS SOLD/DISTRIBUTED			
Venue Hire		3,102	2,201
Catering		12,685	13,652
Other		880	761
		16,667	16,614
(B) PURCHASE OF SERVICES			
Administration		4,884	4,246
Event Contractors		17,704	16,463
Utilities		4,536	4,004
Other		1,987	2,417
		29,111	27,130
(C) EMPLOYEE EXPENSES			
Salaries, wages, annual leave and long service leave		20,221	18,448
Defined contribution superannuation expense	23	1,687	1,536
Termination benefits		80	75
		21,988	20,059

3. EXPENSES FROM TRANSACTIONS

	NOTES	2019 \$'000	2018 \$'000
(D) OTHER OPERATING EXPENSES			
Maintenance		8,109	6,986
Operating lease expenses		272	242
Purchase of supplies and consumables		1,685	1,109
Bad Debts		20	-
Other		156	97
		10,241	8,434
(E) SPORTS DEVELOPMENT TRANSFER			
Payment to Government for support of sport and recreation programs		3,000	6,100
		3,000	6,100

4. OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

(A) NET GAIN/(LOSS) ON NON-FINANCIAL ASSETS			
Net gain/(loss) on disposal of property plant and equipment (including intangible assets)		(4,939)	2
Net gain/(loss) on disposal of redevelopment property plant and equipment		-	-
		(4,939)	2
(B) NET GAIN/(LOSS) ARISING FROM REVALUATION OF LONG SERVICE LIABILITY			
Net gain/(loss) arising from revaluation of long service liability		138	(6)
		138	(6)

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

5. CASH AND CASH EQUIVALENTS

	NOTES	2019 \$'000	2018 \$'000
Cash floats held		84	88
Cash at bank		7,815	8,706
Cash at bank (ticket sales for future events – not available for use)	12	75,725	76,383
Bank deposits (restricted use)		1,375	629
TOTAL CASH AND CASH EQUIVALENTS		84,999	85,806

6. RECEIVABLES

	NOTES	2019 \$'000	2018 \$'000
CURRENT			
Contractual			
Trade and other receivables (ii)		2,987	3,384
Provision for doubtful debts (i)		(5)	(5)
		2,982	3,379
STATUTORY			
Amount owing from Victorian Government (iii)		792	731
Taxes Recoverable		916	357
		1,708	1,088
TOTAL CURRENT RECEIVABLES		4,690	4,466

(a) Movement in the provision for doubtful debts

Balance at beginning of financial year	5	5
BALANCE AT END OF FINANCIAL YEAR	5	5

- i. A provision has been made for amounts where collection is considered no longer probable, determined by reference to issues relating to individual accounts.
- ii. Receivables are carried at nominal amounts due. The average credit period on settling of monies owed is 7 days. No interest is charged on other receivables for outstanding balances.
- iii. The amounts receivable from the Victorian Government represent monies owing from Victorian Government Departments/Agencies relating to contributions towards capital projects, tenancies and redevelopment costs.

(b) Ageing analysis of receivables

Please refer to Table 17.3 in Note 17 ageing analysis of receivables.

(c) Nature and extent of risk arising from receivables

- iv. Please refer to Note 17 for the nature and extent of credit risk arising from receivables.

7. OTHER FINANCIAL ASSETS

Term deposits			
Australian dollar term deposits > 3 months		74,200	60,150
TOTAL OTHER FINANCIAL ASSETS		74,200	60,150

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

8. PREPAYMENTS

	NOTES	2019 \$'000	2018 \$'000
CURRENT			
Prepaid Expenditure		624	506
Prepaid Capital Expenditure		64,537	36,972
		65,161	37,478

9. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Land at fair value (i)		910,000	910,000
		910,000	910,000

Buildings and improvements at fair value (ii)		1,043,426	958,512
Less accumulated depreciation		(53,221)	(33,559)
Written down value		990,205	924,953

Plant and equipment at fair value		135,660	66,420
Less accumulated depreciation		(48,856)	(33,456)
Written down value		86,804	32,964

Work in progress at cost		90,527	126,121
		90,527	126,121

Total property, plant and equipment		2,179,613	2,061,053
Less accumulated depreciation		(102,077)	(67,015)
Written down value		2,077,536	1,994,038

Intangible Assets		1,908	1,908
Less accumulated amortisation		(1,830)	(1,740)
Written down value		78	168

WRITTEN DOWN VALUE PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS		2,077,614	1,994,206
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(i) Land at fair value

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 40 per cent known as 'Community Service Obligation' has been applied to the Unrestricted Land Value.

(ii) Buildings and Improvements and Plant & Equipment at revaluation 2017

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 has provided replacement cost and depreciated replacement cost on the inspected properties (Rod Laver Arena and surrounding grounds, Melbourne Arena, AAMI Park and Holden Centre). Works in Progress relating to the redevelopment have not been included in the revaluation.

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	INTANGIBLES AT FAIR VALUE	WORK IN PROGRESS AT COST	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

YEAR ENDED 30 JUNE 2019

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/Impairments	-	-	-	-	-	-
Depreciation Expense	-	(29,676)	(6,357)	-	-	(36,033)
Amortisation Expense	-	-	-	(90)	-	(90)
CARRYING AMOUNT AT END OF YEAR	910,000	990,205	86,804	78	90,527	2,077,614

	LAND AT FAIR VALUE	BUILDINGS AT FAIR VALUE	PLANT & EQUIPMENT AT FAIR VALUE	INTANGIBLES AT FAIR VALUE	WORK IN PROGRESS AT COST	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

YEAR ENDED 30 JUNE 2018

Carrying amount at start of year	910,000	904,643	13,793	290	86,809	1,915,535
Additions	-	1,226	5,758	-	109,264	116,248
Transfers	-	51,474	18,478	-	(69,952)	-
Disposals	-	-	-	-	-	-
Revaluations/Impairments	-	-	-	-	-	-
Depreciation Expense	-	(32,390)	(5,065)	-	-	(37,455)
Amortisation Expense	-	-	-	(122)	-	(122)
CARRYING AMOUNT AT END OF YEAR	910,000	924,953	32,964	168	126,121	1,994,206

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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

Aggregate depreciation & amortisation recognised as an expense during the year ⁽ⁱ⁾

	NOTES	2019 \$'000	2018 \$'000
Buildings at fair value		29,676	32,390
Plant, equipment and vehicles at fair value		6,357	5,065
Intangibles at fair value		90	122
		36,123	37,577

Notes:

(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 2019 \$'000	FAIR VALUE MEASUREMENT AS AT 30 JUNE 2019 USING:		
		LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
Land at fair value				
Specialised land	910,000	-	-	910,000
TOTAL OF LAND AT FAIR VALUE	910,000	-	-	910,000
Buildings at fair value				
Specialised buildings	990,205	-	-	990,205
TOTAL OF BUILDINGS AT FAIR VALUE	990,205	-	-	990,205
Plant, equipment and vehicles at fair value				
Vehicles	116	-	-	116
Plant and equipment	86,688	-	-	86,688
TOTAL OF PLANT, EQUIPMENT AND VEHICLES AT FAIR VALUE	86,804	-	-	86,804

	CARRYING AMOUNT AS AT 30 JUNE 2018 \$'000	FAIR VALUE MEASUREMENT AS AT 30 JUNE 2018 USING:		
		LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
Land at fair value				
Specialised land	910,000	-	-	910,000
TOTAL OF LAND AT FAIR VALUE	910,000	-	-	910,000
Buildings at fair value				
Specialised buildings	924,953	-	-	924,953
TOTAL OF BUILDINGS AT FAIR VALUE	924,953	-	-	924,953
Plant, equipment and vehicles at fair value				
Vehicles	117	-	-	117
Plant and equipment	32,847	-	-	32,847
TOTAL OF PLANT, EQUIPMENT AND VEHICLES AT FAIR VALUE	32,964	-	-	32,964

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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

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 as 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.

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.

There were no changes in valuation techniques throughout the period to 30 June 2019.

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

Reconciliation of level 3 fair value

2019	SPECIALISED LAND	SPECIALISED BUILDINGS	VEHICLES	PLANT AND EQUIPMENT
	\$'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	-	-	-	-
Gains or losses recognised in net result				
Depreciation	-	(29,676)	(38)	(6,319)
Net Gain/(Loss) on Disposal of PP&E	-	(4,938)	(3)	-
SUBTOTAL	-	(34,614)	(41)	(6,319)
Gains or losses recognised in other economic flows - other comprehensive income				
Revaluation	-	-	-	-
SUBTOTAL	-	-	-	-
CLOSING BALANCE	910,000	990,206	76	86,728
2018	SPECIALISED LAND	SPECIALISED BUILDINGS	VEHICLES	PLANT AND EQUIPMENT
	\$'000	\$'000	\$'000	\$'000
OPENING BALANCE	910,000	904,644	196	13,597
Purchases (sales)	-	52,700	-	24,236
Transfers in (out) of Level 3	-	-	-	-
Gains or losses recognised in net result				
Depreciation	-	(32,390)	(79)	(4,986)
Net Gain/(Loss) on Disposal of PP&E	-	-	-	-
SUBTOTAL	-	(32,390)	(79)	(4,986)
Gains or losses recognised in other economic flows - other comprehensive income				
Revaluation	-	-	-	-
SUBTOTAL	-	-	-	-
CLOSING BALANCE	910,000	924,954	117	32,847

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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

Description of significant unobservable inputs to Level 3 valuations

	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS
SPECIALISED LAND	Market Value adjusted for community service obligation (CSO)	<ul style="list-style-type: none"> land price per m² CSO obligation
ROD LAVER ARENA / MELBOURNE PARK	Depreciated replacement cost	<ul style="list-style-type: none"> useful lives of structure / shell / building fabric, site engineering services & central plant, fit-outs and trunk reticulated building systems. replacement cost per m² and per unit of plant. This reflects the cost of replacing the building to its current condition taking into account its age.
MELBOURNE ARENA	Depreciated replacement cost	<ul style="list-style-type: none"> useful lives of structure / shell / building fabric, site engineering services & central plant, fit-outs and trunk reticulated building systems. replacement cost per m² and per unit of plant. This reflects the cost of replacing Melbourne Arena to its current condition taking into account its age.
MARGARET COURT ARENA	Depreciated replacement cost	<ul style="list-style-type: none"> useful lives of structure / shell / building fabric, site engineering services & central plant, fit-outs and trunk reticulated building systems. replacement cost per m² and per unit of plant. This reflects the cost of replacing Margaret Court Arena to its current condition taking into account its age.
AAMI PARK	Depreciated replacement cost	<ul style="list-style-type: none"> useful lives of structure / shell / building fabric, site engineering services & central plant, fit-outs and trunk reticulated building systems. replacement cost per m² and per unit of plant. This reflects the cost of replacing AAMI Park to its current condition taking into account its age.
HOLDEN CENTRE	Depreciated replacement cost	<ul style="list-style-type: none"> useful lives of structure / shell / building fabric, site engineering services & central plant, fit-outs and trunk reticulated building systems. replacement cost per m² and per unit of plant. This reflects the cost of replacing the Holden Centre to its current condition taking into account its age.
BUILDING REFURBISHMENTS	Depreciated replacement cost	<ul style="list-style-type: none"> useful life of a fit-out of items within the building with fairly long life spans, i.e. Guard-rails, catwalks, seating, tracks/sporting specific items that are not electronic useful life of items of a soft nature within building includes carpets, lighting, wall fixtures, furniture and fittings that cannot be readily separated from the initial building purchase
VEHICLES	Depreciated replacement cost	<ul style="list-style-type: none"> Cost per unit Useful life of vehicles
PLANT AND EQUIPMENT	Depreciated replacement cost	<ul style="list-style-type: none"> Cost per unit Useful life of vehicles

10. PAYABLES

	NOTES	2019 \$'000	2018 \$'000
CURRENT			
Contractual			
Trade creditors (i)		1,087	1,160
Event Settlements		663	3,256
Other payables		662	835
Accrued expenses		7,652	8,239
		10,064	13,490
Statutory			
Taxes payable		-	-
		10,064	13,490

(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

Please refer to Table 17.5 in Note 17 for the ageing analysis of payables.

(b) Nature and extent of risk arising from payables

Please refer to Note 17 for the nature and extent of risks arising from payables.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

11. PROVISIONS

	NOTES	2019 \$'000	2018 \$'000
CURRENT PROVISIONS			
Annual Leave			
Unconditional and expected to be settled within 12 months (i)		452	337
Unconditional and expected to be settled after 12 months (ii)		351	368
Long Service Leave			
Unconditional and expected to be settled within 12 months (i)		1,379	1,024
Unconditional and expected to be settled after 12 months (ii)		1,027	1,074
		3,209	2,803
Provisions for on-costs			
Unconditional and expected to be settled within 12 months (i)		315	233
Unconditional and expected to be settled after 12 months (ii)		243	248
		558	481
TOTAL CURRENT PROVISIONS		3,767	3,284
NON-CURRENT PROVISIONS			
Long Service Leave (ii)		456	259
On-costs (ii)		73	42
TOTAL NON-CURRENT PROVISIONS		529	301
TOTAL PROVISIONS		4,296	3,585

(i) The amounts disclosed are nominal amounts

(ii) The amounts disclosed are discounted to present values.

(A) EMPLOYEE BENEFITS AND ON-COSTS	NOTES	2019 \$'000	2018 \$'000
Current employee benefits			
Annual Leave		803	705
Long Service Leave		2,406	2,098
Non-current employee benefits			
Long Service Leave		456	259
TOTAL EMPLOYEE BENEFITS		3,665	3,062
On-costs			
Current on-costs		558	481
Non-current on-costs		73	42
Total on-costs		631	523
TOTAL EMPLOYEE BENEFITS AND ON-COSTS		4,296	3,585

(B) MOVEMENT IN PROVISIONS

Opening Balance		523	466
Additional provisions recognised		269	111
Reductions arising from payments/other sacrifices of future economic benefits		(160)	(41)
Reductions resulting from re-measurement or settlement without cost		(23)	(12)
Unwind of discount and effect of changes in the discount rate		22	(1)
CLOSING BALANCE		631	523
Current			
Current		558	481
Non-current			
Non-current		73	42
CLOSING BALANCE		631	523

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

12. OTHER LIABILITIES

	NOTES	2019 \$'000	2018 \$'000
Income received in advance		6,218	8,318
Ticket sales for future events	5	75,725	76,382
		81,942	84,700

13. LEASES

OPERATING LEASE PAYABLES

Leasing arrangements

Operating lease payables relate to plant and office equipment with lease terms between 1 and 2 years.
(2018: 1 and 2 years)

Non-cancellable operating leases

Total lease expenditure contracted for at balance date but not provided for in the accounts:

OPERATING LEASE PAYABLES			
Payable not longer than one year		222	118
Longer than one year and not longer than five years		719	565
		941	683

OPERATING LEASE RECEIVABLES

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		6,291	6,403
Longer than one year and not longer than five years		18,044	19,173
Longer than five years		48,892	53,604
		73,227	79,180

14. COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements.
All amounts shown in the commitments note are nominal amounts inclusive of GST.

(A) FUNDING COMMITMENTS

The Trust has funding commitments which comprise a \$40 million contribution towards Stage 3 of the Melbourne Park Redevelopment, of which \$14 million will be paid in 2019/20 and \$26 million in 2020/21. The Trust will also be making a Sports Development Transfer of \$6 million over the next two years for the promotion of sports and recreation across Victoria.

	NOTES	2019 \$'000	2018 \$'000
Less than one year		17,000	-
Longer than one year and not longer than five years		29,000	-
		46,000	-

(B) CAPITAL EXPENDITURE COMMITMENTS

The Trust had no capital commitments as at 30 June 2019.

Less than one year		-	8
Longer than one year and not longer than five years		-	-
		-	8

(C) OPERATING EXPENDITURE COMMITMENTS

The Trust has \$2.905 million in commitments for operating expenditure relating to agreements for cleaning, mechanical and maintenance services at the date of this report (2018: \$2.08 million).

Payable no later than one year		2,220	1,582
Longer than one year and not later than five years		686	498
		2,905	2,080

(D) LEASE COMMITMENTS

Non-cancellable operating lease commitments are disclosed in Note 13 to the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

15. CONTINGENT LIABILITIES

The Trust has no contingent liabilities at the date of this report. (2018: \$0)

16. 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.

17. FINANCIAL INSTRUMENTS

The Trust's principal financial instruments comprise:

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

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 in holding financial instruments is to prudentially manage the Trust's financial risks in the 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 the identification and management of financial risks rests with the Finance, Audit and Risk committee of the Trust.

Table 17.1: Categorisation of financial instruments

	NOTES	\$'000	\$'000	\$'000
		FINANCIAL ASSETS AT AMORTISED COST	CONTRACTUAL FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
2019				
Financial assets (i)				
Cash and cash equivalents	5	9,274	-	9,274
Cash held on behalf of customers		75,725	-	75,725
Total Cash		84,999	-	84,999
Receivables (i)				
Total Receivables	6	2,987	-	2,987
Investments and other contractual financial assets				
Term deposits	7	74,200	-	74,200
TOTAL CONTRACTUAL FINANCIAL ASSETS		162,186	-	162,186
Contractual financial liabilities				
Payables: (i)				
Payables	10	-	10,064	10,064
Ticket sales for future events	12	-	75,724	75,724
TOTAL CONTRACTUAL FINANCIAL LIABILITIES		-	85,788	85,788

(i) The amount of receivables and payables disclosed exclude statutory amounts (e.g.: amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable)

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

17. FINANCIAL INSTRUMENTS (CONT)

Table 17.1: Categorisation of financial instruments (cont.)

	NOTES	\$'000	\$'000	\$'000
		CONTRACTUAL FINANCIAL ASSETS – LOANS AND RECEIVABLES	CONTRACTUAL FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
2018				
Financial assets (i)				
Cash and cash equivalents	5	9,423	-	9,423
Cash held on behalf of customers		76,383	-	76,383
Total Cash		85,806	-	85,806
Receivables (i)				
Total Receivables	6	3,384	-	3,384
Investments and other contractual financial assets				
Term deposits	7	60,150	-	60,150
TOTAL CONTRACTUAL FINANCIAL ASSETS		149,340	-	149,340
Contractual financial liabilities				
Payables: (i)				
Payables	10	-	13,490	13,490
Ticket sales for future events	12	-	76,382	76,382
TOTAL CONTRACTUAL FINANCIAL LIABILITIES		-	89,872	89,872

Table 17.2: Credit quality of contractual financial assets

	\$'000	\$'000	\$'000
	GOVERNMENT AGENCIES (TRIPLE-A CREDIT RATING)	OTHER (MIN TRIPLE-A CREDIT RATING)	TOTAL
2019			
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
TOTAL CONTRACTUAL FINANCIAL ASSETS	79,598	82,589	162,187
2018			
Cash and cash equivalents	5,093	4,330	9,423
Cash held on behalf of customers	4,454	71,929	76,383
Receivables (i)	-	3,384	3,384
Investments and other financial assets	58,150	2,000	60,150
TOTAL CONTRACTUAL FINANCIAL ASSETS	67,697	81,643	149,340

(i) The amount of receivables and payables disclosed exclude statutory amounts (e.g.: amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable)

Financial assets that are 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 as indicated.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

17. FINANCIAL INSTRUMENTS (CONT)

Table 17.3: Ageing analysis of contractual financial assets

	CARRYING AMOUNT	NOT PAST DUE AND NOT IMPAIRED	PAST DUE BUT NOT IMPAIRED			
			< 1 MONTH	1-3 MONTHS	3 MONTHS - 1 YEAR	1-5 YEARS
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2019						
Cash and cash equivalents	9,275	9,275				
Term deposits	74,200	74,200				
Receivables (i)	2,987	1,781	933	172	101	-
	86,462	85,256	933	172	101	-
30 June 2018						
Cash and cash equivalents	9,423	9,423				
Term deposits	60,150	60,150				
Receivables (i)	3,384	2,134	1,249	-	-	-
	72,957	71,707	1,249	-	-	-

(i) Ageing analysis of financial assets excludes statutory financial assets
(e.g.: amounts owing from 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
	%	\$'000	\$'000	\$'000	\$'000
30 June 2019					
Cash and cash equivalents:					
Cash floats held	-	84	-	-	84
Cash at bank	1.13	7,815	-	7,815	-
Term deposits > 90 days	1.91	74,200	74,200	-	-
Bank deposits (restricted use)	1.15	1,375	-	1,375	-
Cash at bank (ticket sales for future events – not available for use)	2.35	75,725	-	75,725	-
Receivables (i)		2,987	-	-	2,987
		162,186	74,200	84,915	3,071
30 June 2018					
Cash and cash equivalents:					
Cash floats held	-	88	-	-	88
Cash at bank	1.28	8,706	-	8,706	-
Term deposits > 90 days	2.09	60,150	60,150	-	-
Bank deposits (restricted use)	1.40	629	-	629	-
Cash at bank (ticket sales for future events – not available for use)	2.41	76,383	-	76,383	-
Receivables (i)		3,384	-	-	3,384
		149,340	60,150	85,718	3,472

(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 FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

17. FINANCIAL INSTRUMENTS (CONT)

Table 17.5: Maturity analysis of financial liabilities

	CARRYING AMOUNT	NOMINAL AMOUNT	MATURITY DATES (1)			
			< 1 MONTH	1-3 MONTHS	3 MONTHS – 1 YEAR	1-5 YEARS
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2019						
Payables (ii)	10,064	10,064	9,515	255	293	-
Other	75,724	75,724	7,356	24,710	43,658	-
	85,788	85,788	16,871	24,966	43,951	-
30 June 2018						
Payables (ii)	13,490	13,490	12,960	247	283	-
Other	76,382	76,382	36,545	17,726	22,111	-
	89,872	89,872	49,505	17,973	22,394	-

(i) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities.

(ii) The carrying amounts disclosed exclude statutory amounts (e.g.: amounts payable to Victorian Government and taxes payable).

18. CASH FLOW INFORMATION

(A) RECONCILIATION OF CASH AND CASH EQUIVALENTS	NOTES	2019 \$'000	2018 \$'000
Total cash and deposits disclosed in note 5		84,999	85,806
BALANCE AS PER CASH FLOW STATEMENT		84,999	85,806
(B) RECONCILIATION OF NET RESULT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Net Result for the financial year		270	(4,229)
Add/(less) non-cash movements:			
Depreciation and amortisation of non-current assets		36,123	37,577
Net gain/(loss) on non-financial assets		4,939	(2)
Movements in assets and liabilities:			
(Increase)/decrease in current receivables		(224)	(941)
(Increase)/decrease in other current assets		(27,683)	(12,338)
(Decrease)/increase in current payables		(3,785)	3,996
(Decrease)/increase in current provisions		483	338
(Decrease)/increase in other current liabilities		(2,758)	36,206
(Decrease)/increase in non-current provisions		228	(50)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		7,592	60,557

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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

The Honourable Martin Pakula MP (29 November 2018 to 30 June 2019)
Minister for Tourism, Sport and Major Events
Minister for Racing
Minister for Jobs, Innovation and Trade

The Honourable John Eren (1 July 2018 to 29 November 2018)
Minister for Sport
Minister for Tourism and Major Events
Minister for Veterans

TRUSTEES

Mr Russell Caplan (Chair) (1 July 2018 to 30 June 2019)
Ms Jacinda Dixon (1 July 2018 to 30 June 2019)
Mr Patrick Flannigan (1 July 2018 to 30 June 2019)
Ms Catherine Friday (1 July 2018 to 30 June 2019)
Mr Mark Hawthorne (9 April 2019 to 30 June 2019)
Ms Jayne Hrdlicka (1 July 2018 to 30 June 2019)
Ms Diana Nicholson (1 July 2018 to 30 June 2019)
Mr John Ribot-de-Bresac (1 July 2018 to 30 June 2019)
Mr Kenneth Roche, AO (1 July 2018 to 30 June 2019)
Ms Liberty Sanger (1 July 2018 to 30 June 2019)
Ms Emma Sherry (1 July 2018 to 30 June 2019)
Ms Janice Van Reyk (1 July 2018 to 30 June 2019)

ACCOUNTABLE OFFICER

Mr Brian Morris (Trust Secretary & Chief Executive Officer) (1 July 2018 to 30 June 2019)

Mr Morris held the position of Chief Executive Officer up until 31 July 2019.

Mr John Harnden AM commenced in the position of Chief Executive Officer on 5 August 2019.

Remuneration

Total remuneration (including incentive payments) received or receivable by the Accountable Officer in connection with the management of the Trust during the reporting period was in the range of \$510,000 – \$519,999 (\$500,000 – \$509,999 in 2017/18).

Trustees did not receive any remuneration from the Trust during the financial year. (2017/18: \$0).

A total of 831 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 \$115,897 (2018: 830 tickets with a retail value of \$106,932).

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 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.

There were no changes to the executive structure of the Trust throughout the year, noting the last appointment made was the Director, People Strategy in November 2017.

REMUNERATION OF EXECUTIVE OFFICERS	2019	2018
	\$'000	\$'000
Short-term employee benefits	802	697
Post-employment benefits	57	50
Other long-term benefits	20	17
Termination benefits	0	0
TOTAL REMUNERATION ^(A)	879	763
TOTAL NUMBER OF EXECUTIVES	3.0	3.0
TOTAL ANNUALISED EMPLOYEE EQUIVALENTS ^(A)	2.9	2.2

The increase in remuneration of executive officers was due to part-year vacancies in executive officer roles in the prior year.

Notes:

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

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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.

Key Management Personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly.

KMP 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	2019 \$'000	2018 \$'000
Short-term employee benefits ^(a)	1,290	1,172
Post-employment benefits	78	70
Other long-term benefits	31	27
Termination benefits	0	0
TOTAL	1,399	1,269

Notes:

^(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 Victorian 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 \$129.7 million during the year (2018: \$108.1 million). This funding was made up of \$90 million from Department of Health & Human Services (DHHS), then following Machinery of Government changes effective 1 January 2019, a further \$39.7 million was received 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

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.

Transactions and balances with key management personnel and other related parties

Commercial dealings were undertaken during the reporting period with Tennis Australia, Tennis Victoria, Urban Maintenance Systems (UMS), Ultum and Citywide Services, 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 is a Trustee and also holds a director position with Tennis Australia. Tennis Australia is the promoter of the Australian Open event and operates a court hire business on the Trust's premises and also rents office space from the Trust.

During 2018/19, the Trust invoiced Tennis Australia \$48,404,058 (\$42,131,832 in 2017/18) as at 30 June 2019, Tennis Australia owed the Trust \$292,508 (\$252,813 in 2017/18).

Tennis Victoria

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

During 2018/19, the Trust invoiced Tennis Victoria \$212,896 (\$209,591 in 2017/18) and as at 30 June 2019, Tennis Victoria owed the Trust \$20,710 (\$0 in 2017/18).

Urban Maintenance Systems (UMS)

Mr Patrick Flannigan holds a position on the Melbourne & Olympic Parks Trust and also held the position of Managing Director and Chief Executive Officer at UMS as at 30 June 2019. The Trust holds a periodic services agreement with UMS to provide various maintenance and restoration works required on the Trust's premises.

During 2018/19, the Trust paid \$1,685,673 to UMS (\$1,529,605 in 2017/18) for various repairs, maintenance and restoration of Trust assets. The Trust owed UMS \$25,988 (\$99,191 in 2017/18).

Ultum

Mr Flannigan also holds the position of Director at Ultum Pty Ltd. During the year, the Trust utilised Ultum for advisory services on asset management specific to the Trust's premises.

During 2018/19, the Trust paid \$17,259 to Ultum for advice associated with AAMI Park inspections and project management.

Citywide Services

Ms Janice Van Reyk holds a position on the Melbourne & Olympic Parks Trust and also holds the position of 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 2018/19, the Trust paid \$26,927 to Citywide (\$4,400 in 2017/18) for traffic management services provided to the Trust.

There are no other receivable amounts or loans outstanding in relation to related parties, as at 30 June 2019 (\$0 in 2017/18).

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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.

	NOTES	2019 \$'000	2018 \$'000
Audit of the financial statements – VAGO		63	60
		63	60

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:

AustralianSuper	835	815
Hostplus	188	148
Retail Employees Superannuation Pty Ltd	117	77
Others	547	496
TOTAL	1,687	1,536

At the reporting date, superannuation contributions outstanding were \$0 (2018: \$0).

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:

- Cash and Cash Equivalents;
- an equity instrument of another entity;
- 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
- 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.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 2019

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.

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.

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 and 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 2019 and financial position of the Trust at 30 June 2019.

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.

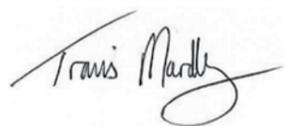
We authorise the attached financial statements for issue on 28 August 2019.



Russell Caplan
Member of Responsible Body
Chair
Melbourne and Olympic Parks Trust



John Harnden AM
Accountable Officer
Chief Executive Officer
Melbourne and Olympic Parks Trust



Travis Mardling
Chief Financial Officer
Melbourne and Olympic Parks Trust

INDEPENDENT AUDIT REPORT



Victorian Auditor-General's Office

Independent Auditor's Report

To the Trustees of Melbourne & Olympic Parks Trust

Opinion	<p>I have audited the financial report of Melbourne & Olympic Parks Trust (the trust) which comprises the:</p> <ul style="list-style-type: none"> balance sheet as at 30 June 2019 comprehensive operating statement for the year then ended statement of changes in equity for the year then ended cash flow statement for the year then ended notes to the financial statements, including significant accounting policies declaration in the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the trust as at 30 June 2019 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>
Basis for Opinion	<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>
Trustees' responsibilities for the financial report	<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>

INDEPENDENT AUDIT REPORT

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.



Travis Derricott
as delegate for the Auditor-General of Victoria

DISCLOSURE INDEX

The Annual Report of Melbourne and 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.

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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
- Protected Disclosure Act 2012
- Public Administration Act 2004
- Local Jobs First Act 2003
- Victorian Managed Insurance Authority Act 1996





ANNUAL REPORT 2018/19

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