

ANNUAL REPORT 2019-20

Our city's heart
beats loud & strong
at Kardinia Park.



TABLE OF CONTENTS

2	CHAIR AND CEO REPORT
6	PURPOSE
8	GOVERNANCE
9	ORGANISATIONAL STRUCTURE
10	ACHIEVEMENTS 2019-20
11	EVENT ATTENDANCES
12	KEY STATISTICS
14	TENANTS AND PARTNERS
16	STATEMENT OF EXPECTATIONS
19	FINANCIAL OVERVIEW
21	DISCLOSURES AND COMPLIANCE
28	DISCLOSURE INDEX
30	FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020
32	BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE OFFICER'S DECLARATION
68	INDEPENDENT AUDITOR'S REPORT

CHAIR AND CEO REPORT

THE TRUST WAS ESTABLISHED WITH AN OBJECTIVE TO MAXIMISE THE USE OF KARDINIA PARK STADIUM FOLLOWING SIGNIFICANT INVESTMENT FROM THE STATE GOVERNMENT AND FEDERAL GOVERNMENT, THE GEELONG FOOTBALL CLUB (GFC) AND THE AFL, ENABLING KARDINIA PARK TO FULFILL ITS PURPOSE OF BEING A TRULY MULTI-PURPOSE SPORTS AND ENTERTAINMENT VENUE FOR THE GEELONG AND NEIGHBOURING REGIONS.

One of our goals is to contribute to the economic, community and liveability benefits of the region. The best example of how we enact this has been enabling year-round content, with the stadium playing host to more than AFL, and more than just men's sport. During FY19/20 the stadium hosted nine AFL and three AFLW matches for the GFC, two Big Bash League games for the Melbourne Renegades and we became the home ground for the A-League's newest side, Western United with nine matches. In addition to these sporting events we hosted the motorcycle spectacular, the Crusty Demons, showcased the stadium and the precinct to host our second Festival of Sport, and enabled the Geelong Football League to host their finals series in the stadium. Our largest crowd was 31,699 for Geelong Football Club vs Carlton Football Club VFLW/AFL double header on 24th August 2019.

The Trust has built mutually respectful and strong relationships with our key partners, the State Government of Victoria, the City of Greater Geelong and our premier tenant, the Geelong Football Club. The Trust has stood with the GFC as it faced the consequences of a COVID-19 affected season, providing significant rental relief to the club to enable them to better absorb the pandemic's financial impacts, along with the Trust needing to make extensive operating cuts to meet the subsequent revenue decreases.

Regarding the GFC lease, a memorandum of understanding had previously been agreed upon between the Trust and the club and over the last 12 months this has progressed to negotiating the all-important lease arrangements. These negotiations will set out the respective legal relationships going forward for the coming decades.

The Trust had spent significant time working on our business resilience, namely with the development of our crisis management plan and business continuity plan, well prior to the commencement of the Government-initiated lockdown in mid-March, due to COVID-19. The business reacted quickly and efficiently to set up staff working from home with all the necessary requirements to continue to do their jobs professionally. The Trust is now starting to see the flow-on effects of this pandemic with only a very small number of events at the stadium. The Trust was fortunate to host four AFL games before the move to inter-state hubs to ensure the safety of the players and all those associated with the teams. Unfortunately, we have no real certainty for what the future holds regarding any events, or crowds to watch those events. However, we are pleased to write that that the Trust is in a great position to "bounce back" when the State Government gives us the green light to open our doors again and we are very much looking forward to that time.

Regarding the Stage 5 Redevelopment of the stadium, the State Government established a Project Steering Committee with substantial stakeholders to progress the final stage of this project.

An early key step that the business made was to create a strategic plan for 2019-2023; our roadmap for the next four years. This plan was created with input from the whole business, and informed by our position in the industry, in the community and in the global economy. We established four strategic initiatives that resulted in multiple projects that we will undertake over the four years. Alongside these projects we updated our mission, vision and values; touchstones for us to work towards and align on.

Motivated by the goal of continuous improvement, we enacted a series of reviews into our business practices linked to: event management; safety, security and emergency management; marketing; brand; governance protocols; and risk management. By reviewing these areas we analysed where we were strongest, where we could improve and where we needed to try a different approach. The recommendations from these reviews have been placed into action and we are already a better business, better venue and better event manager because of them. Another key step was to initiate a corporate restructure, ensuring we had the right positions in the business to successfully deliver the strategic and day-to-day obligations. We commenced a change management program and also initiated change management training for the business. We are now a lean and able business, taking on various projects and growing into our potential.

We have overseen a range of capital projects throughout the past financial year, including an office renovation to house our business; a critical light tower switching scheme as part of the power resilience strategy; and the planning for a new venue control room. Other projects of note have been: the commencement of the connected stadium strategy; updating our essential services compliance systems; an overhaul of governance in the business; and a new stakeholder engagement framework. Importantly we have also strengthened our relationships with our premier tenant, GFC, as well as our Sports House tenants, the Geelong Cricket Club, and our other precinct partners.

This financial year saw the farewell of Michael Malouf AM as Trust Chair of Kardinia Park Stadium Trust. Michael has provided much passion and energy in a dynamic and challenging environment since the formation of the Trust in October 2016. We welcome the appointment of Stephen Gough AM as the incoming Chair of the Trust. Stephen, with his experience as the former CEO of the Melbourne Cricket Ground and his involvement in the initial setting up of the Trust, will no doubt hit the ground running. We also wish to acknowledge the substantial contribution of the Deputy Chair, Gillian Costa and our fellow Trustees.

It is a very talented and capable group of people. We also wish to acknowledge our staff who, over the past twelve months, have been required to face several significant challenges and I am pleased to report have performed admirably.

Over the past year, the Trust has had some reappointments: Gillian Costa for a three-year term and Libby Mears for a two-year term, as well as some new faces appointed including Rob Hulls



(former Deputy Premier for Victoria 2007–2010) and Bernadette Uzelac (former CEO of the Geelong Chamber of Commerce). We would like to take this time to thank Rebecca Casson for her work during her term with the Trust, as she did not seek re-appointment.

We wish to thank the Department of Jobs, Precincts and Regions and Sport and Recreation Victoria for entrusting such a valuable asset to our management and care. Finally, thank you to the Geelong community for your shared passion for this venue as we look forward to the return of events and fans to the stadium in addition to progress on the Stage 5 redevelopment in the year ahead.

Gerard Griffin
Chief Executive Officer

Stephen Gough
Chair

ACCOUNTABLE OFFICER'S DECLARATION

In accordance with the *Financial Management Act 1994*, I am pleased to present the Annual Report for the Kardinia Park Stadium Trust for the year ending 30 June 2020.

A handwritten signature in black ink, appearing to be 'SG' followed by a stylized flourish.

Mr Stephen Gough
Chair/Accountable Officer

FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Joe Calafiore, on behalf of the Responsible Body, certify that the Kardinia Park Stadium Trust has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Mr Joe Calafiore
Chair, Finance Audit and Risk Committee/Accountable Officer

OUR PURPOSE



VISION

**TO BE AUSTRALIA'S
BEST REGIONAL
STADIUM**

MISSION

**TO CREATE
INCLUSIVE
EXPERIENCES**

Our city's heart beats loud and strong at Kardinia Park. Be it entertainment, community or elite sport, work, or play, we are the home of great experiences.

As custodians of this facility, we share our region's sense of pride and belonging. We will engage with our community to provide diverse and unique experiences with the utmost professionalism.

Our people are our greatest asset; we will create an employee culture that supports innovation and growth, celebrates success, and eliminates exclusion.

VALUES

**WE WILL LIVE
OUR MISSION
VIA OUR VALUES**

Courage; Accountability; Integrity;
Equity; Care; Collaboration.

ESTABLISHMENT

The Kardinia Park Stadium Trust (the Trust) was established as a statutory authority pursuant to the *Kardinia Park Stadium Act 2016* (the Act).

The Trust is established to administer, promote and manage the Kardinia Park Stadium Trust Land, within an over-arching objective of contributing to the economic, community, and liveability benefits to Geelong and the broader region, that arise from the use of the Stadium.

The Trust is custodian of the Stadium and adjacent hard stand car park facilities equating to 7.035 hectares of space within Kardinia Park.

On major event days (inclusive of AFL Match Days), the Trust assumes custodian responsibility for the Stadium and adjacent parkland (excluding Kardinia Pool), equating to 20.6 hectares of space within Kardinia Park.

The Stadium is home to the Geelong Football Club and acts as a host to other professional sporting codes such as the A-League Football, Australian Rugby Union, National Rugby League, Cricket Victoria and Cricket Australia.

PURPOSE

To oversee the Kardinia Park Trust Land (Trust Land) to optimise economic, community and liveability benefits for the region and the State

The *objectives* of the Trust are to:

- Promote the Precinct and facilitate alignment of stakeholder objectives
- Manage and develop the Trust's assets
- Increase utilisation of the Trust's assets
- Support and engage the Precinct's users and community groups.

FUNCTIONS

As defined in the Act, the Trust has all powers necessary to perform the following functions:

- (a) To be responsible for the care, improvement, use and promotion of the Trust Land as facilities for sports, recreation and entertainment and related social and other activities
- (b) To be responsible for the proper financial management of the Trust Land

- (c) To provide for the planning, development, promotion, management, operation and use of other sports, recreation and entertainment facilities and services in Victoria for which the Trust has responsibility
- (d) To provide for the planning, development, promotion, management, operation and use of facilities and services for car parking and other necessary services to be used in conjunction with any of the facilities operated or managed by the Trust
- (e) To accept appointment and act as the Committee of Management of Crown Lands
- (f) To be responsible for the operation of the Trust Land with the objective of contributing to the economy, community and liveability of the Geelong region and the State
- (g) To perform any other function conferred on or given to the Trust by or under this Act or any other Act.

GOVERNANCE

MINISTER

The responsible Minister for the period 1 July 2019 – 30 June 2020 was the Hon. Martin Pakula, Minister for Racing, Minister for Jobs, Innovation and Trade, Minister for Tourism, Sport and Major Events.

TRUSTEES

The Trust consists of a: Chairperson, Mr Michael Malouf (to 30 June 2020), and the following members:

- Mr Joe Calafiore
- Ms Rebecca Casson (to March 2020)
- Ms Elizabeth Mears
- Ms Gillian Costa
- Mr Dan Simmonds
- Mr Rob Hulls
- Ms Bernadette Uzelac (from March 2020)

Newly appointed Chair as of 1 July 2020:

- Mr Stephen Gough

EXECUTIVE TEAM

- Chief Executive – Mr Gerard Griffin
- Deputy Chief Executive Officer – Ms Natalie Valentine
- General Manager Finance & Corporate Services – Ms Daphne Henderson

- General Manager Stakeholders, Marketing and Communications – Ms Kim Forbes
- General Manager Major Projects – Mr Ben Scott

FINANCE AUDIT AND RISK COMMITTEE (FARC)

Consists of the following members independent from Management:

- Mr Joe Calafiore – Chair
- Ms Elizabeth Mears – Trustee
- Mr Tony Ficca – Independent Member

The main responsibilities of the FARC are to:

- review and report independently to the Trustees on the Annual Report and all other financial information published by the Trust;
- assist the Trustees in reviewing the effectiveness of the Trust's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations;
- determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors; and

- oversee the effective operation of the risk management framework.

The FARC meets bi-monthly and makes recommendations to the Trust on specific issues.

REMUNERATION COMMITTEE

The Remuneration Committee consists of:

- Ms Gillian Costa – Chair
- Ms Elizabeth Mears
- Ms Rebecca Casson (to March 2020)
- Mr Rob Hulls

The Committee focusses on determining the Trust's policy and practice for executive remuneration and the individual remuneration packages for its executives in line with the recommendations per Victorian Independent Remuneration Tribunal (VIRT)

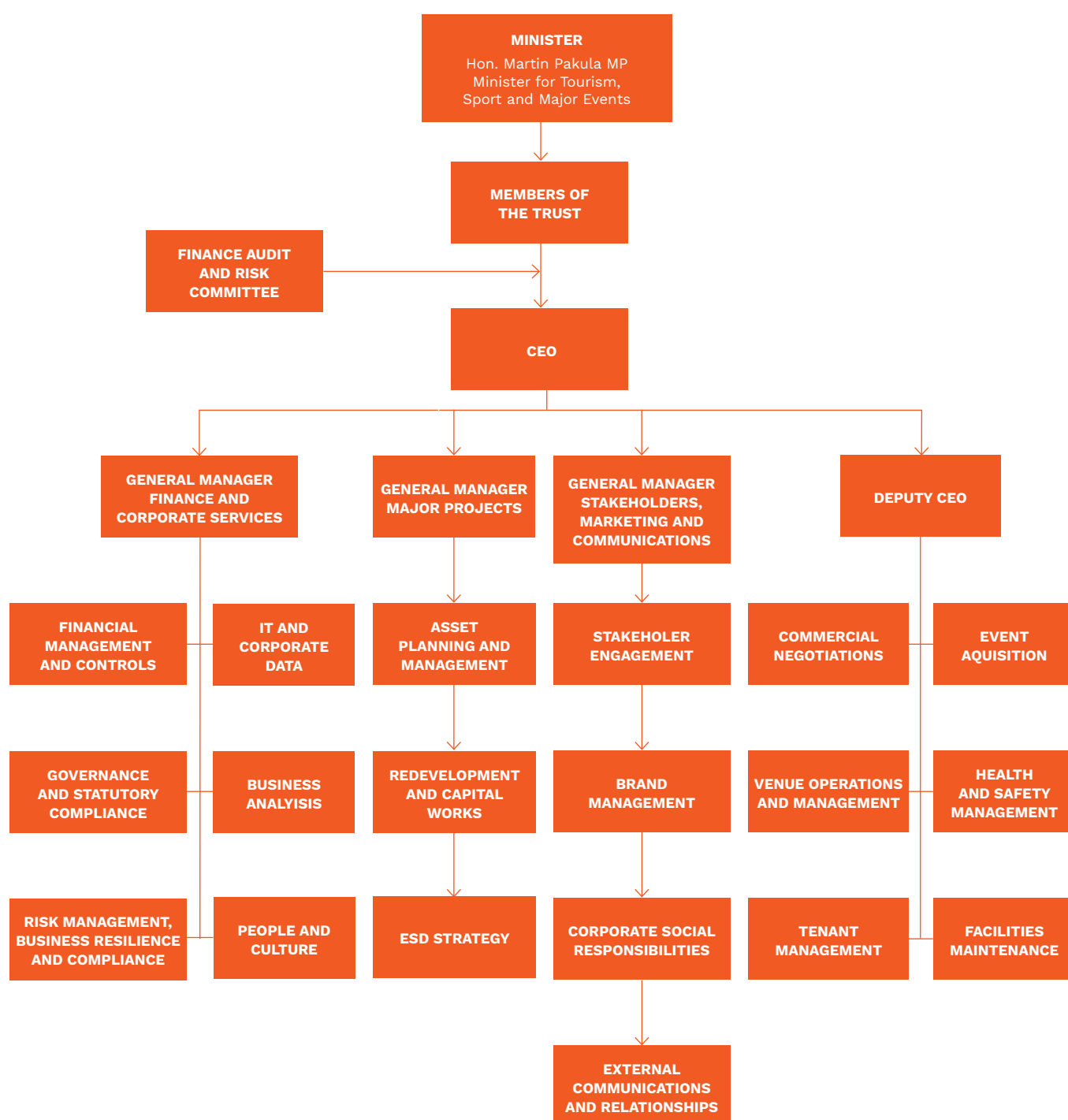
The Committee meets at least two times per annum and more often if the business of the Committee so requires.

STAGE 5 PROJECT COMMITTEE

Stage 5 Project Committee consists of:

- Mr Dan Simmonds – Chair
- Mr Michael Malouf (to 30 June 2020)

ORGANISATIONAL STRUCTURE



ACHIEVEMENTS 2019-20



AFL

AFL BARWON GFL FINALS
(6 event days, 18 matches)

**AFL HOME & AWAY SERIES,
GEELONG FOOTBALL CLUB**
(5 matches)

AFLW, GEELONG FOOTBALL CLUB
(3 matches)

**OPEN TRAINING DAY,
GEELONG FOOTBALL CLUB**
(2 events)

GEELONG FALCONS
(1 match)

VFL, GEELONG FOOTBALL CLUB
(3 season matches)



CRICKET

**BBL CRICKET MELBOURNE
RENEGADES V SYDNEY THUNDER
(MEN'S)**
(1 event)

**BBL CRICKET MELBOURNE
RENEGADES V PERTH SCORCHERS
(MEN'S)** (1 event)



SOCCER

**A-LEAGUE, MELBOURNE VICTORY
VS WESTERN UNITED FOOTBALL
CLUB**
(1 match)

**A-LEAGUE, WESTERN UNITED
FOOTBALL CLUB**
(8 matches)



MOTORSPORT

CRUSTY DEMONS, MOTORSPORT
(1 event)



COMMUNITY

FARE ON THE FIELD
(1 event)

GMHBA CLINIC
(1 event)

**MAGUIRE AWARDS,
SACRED HEART COLLEGE**
(1 event)

EVENT ATTENDANCES

AFL MATCH DAY

77,378

AFLW MATCH DAY

8,762

COMMUNITY EVENTS

8,598

VFL MATCH DAY*

46,298

VFLW MATCH DAY*

31,699

A-LEAGUE

50,653

BBL CRICKET

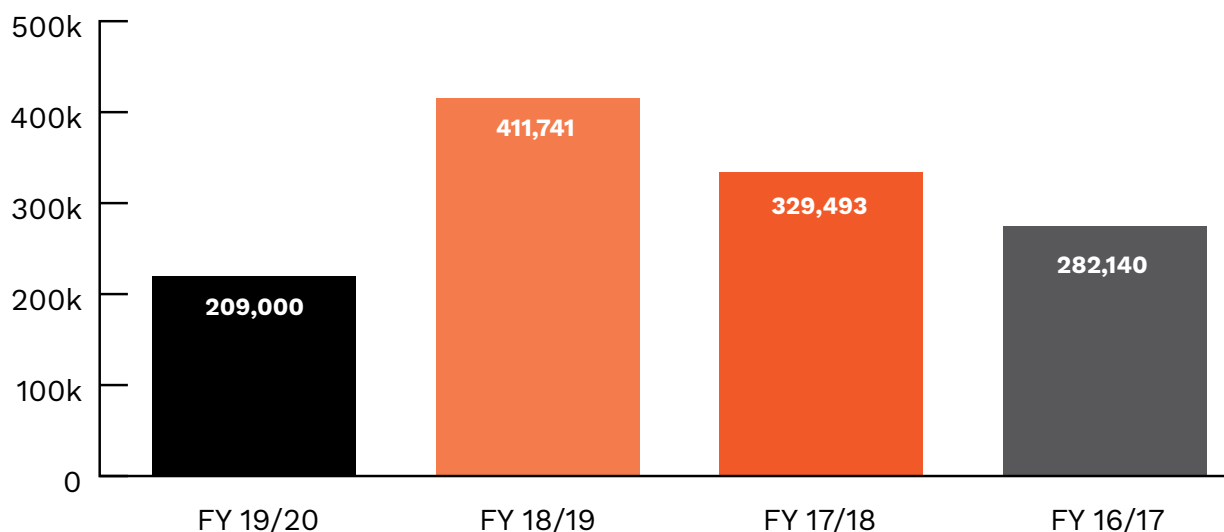
19,989

*Match held as a double header with AFL match days (total attendance).



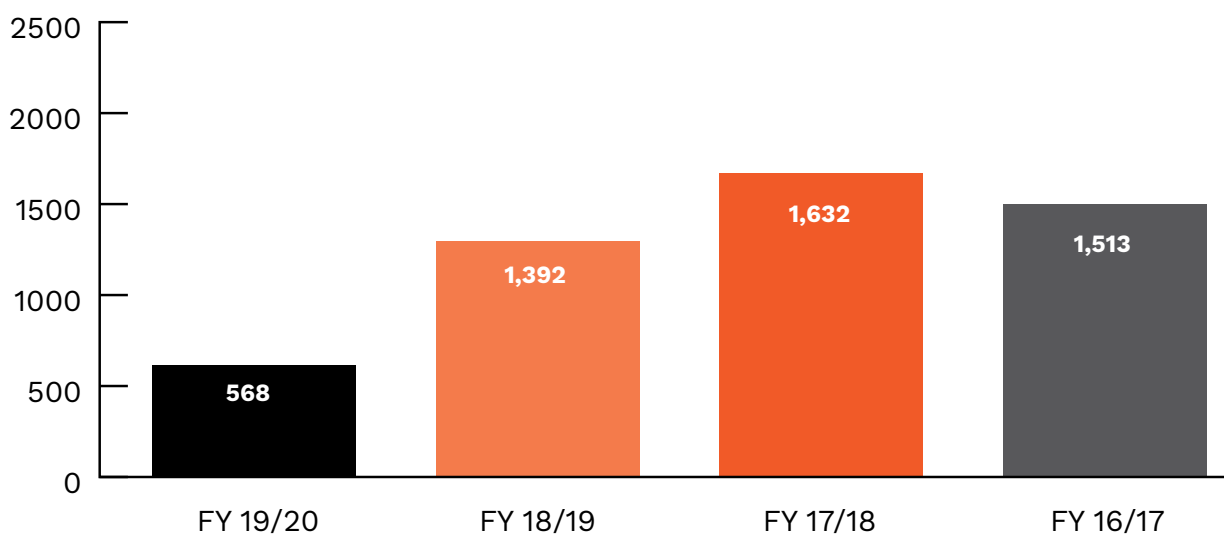
KEY STATISTICS

TOTAL ATTENDANCES



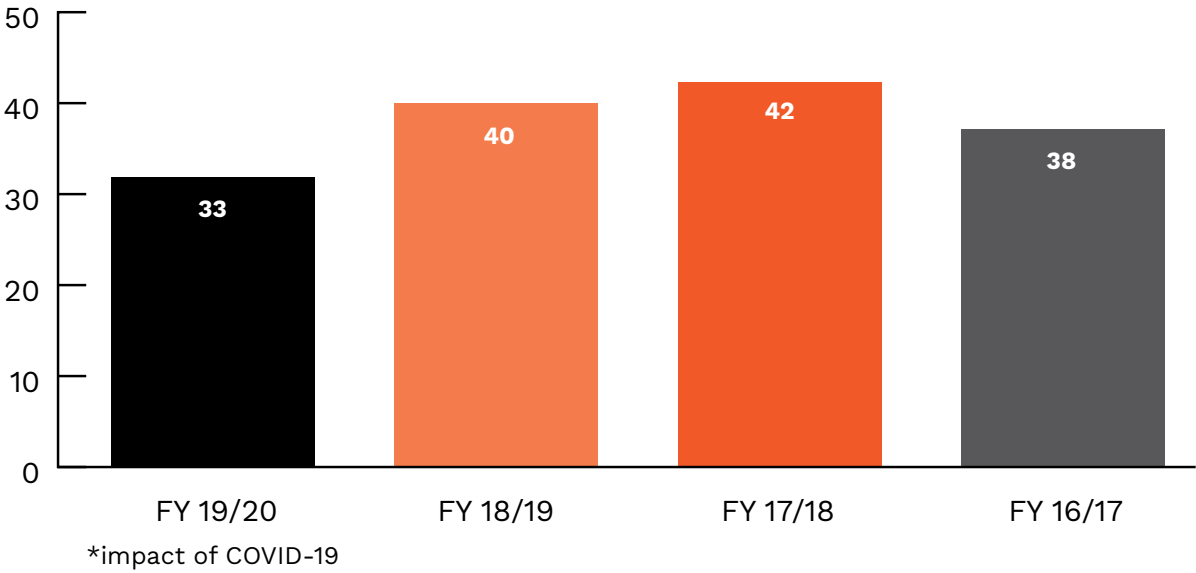
*impact of COVID-19

TOTAL GROUND USAGE (HOURS)

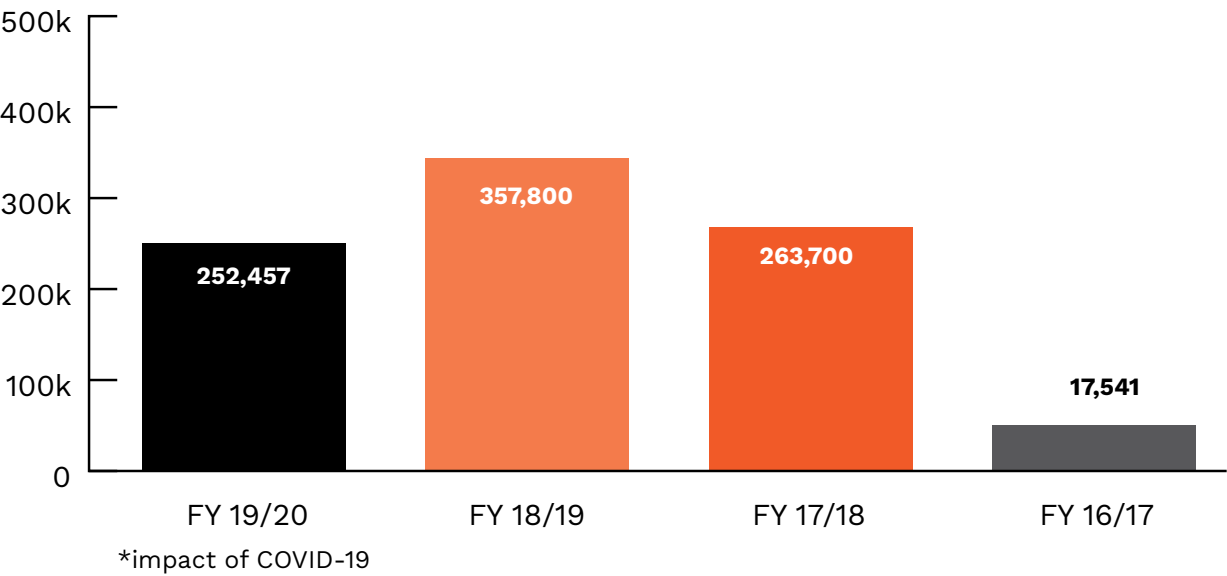


*impact of COVID-19

NUMBER OF CONTRACTED EVENT DAYS



TOTAL TWEET IMPRESSIONS



TENANTS AND PARTNERS

The Trust wishes to thank the following organisations for their support over the past year.

TENANTS

BARWON SPORTS ACADEMY
BASKETBALL VICTORIA COUNTRY
CRICKET VICTORIA
FOOTBALL FEDERATION VICTORIA
GEELONG CRICKET ASSOCIATION
GEELONG CRICKET CLUB
GEELONG FOOTBALL CLUB
GOLF AUSTRALIA
TENNIS VICTORIA
LEISURE NETWORKS

REGULAR HIRERS

AUSTRALIAN FOOTBALL LEAGUE
AFL BARWON
BARWON HEALTH
CRICKET AUSTRALIA
CRICKET VICTORIA
GEELONG FOOTBALL CLUB
MELBOURNE VICTORY FOOTBALL CLUB
WESTERN UNITED FOOTBALL CLUB

BUSINESS PARTNERS

MA SERVICES
MA SECURITY
PITCHCRAFT
QUAYCLEAN

COMMUNITY PARTNERS

GMHBA

TAC

WORKSAFE



STATEMENT OF EXPECTATIONS

The Statement of Expectations (SOE) now in its third year, is an initiative of the State Government, for the purpose of aligning policy and performance outcomes. The objectives of the SOE are to provide:

- Optimum alignment of the Trusts, the Minister for Sport and Government

- Enhanced coordination of Government policy
- Deliver enhanced services to the community by encouraging continual improvement
- Deliver value for money
- Strengthen accountability in Trust performance.

The SOE takes into consideration three key areas of business operations, including Policy, Corporate Governance, and Performance Reporting.

POLICY

Victoria's sport Trusts will manage and improve the facilities available to the people of Victoria to:

EXPECTATION	OUTCOMES	BUSINESS IMPLICATIONS
Build and maintain major & significant events in consultation with SRV and Visit Victoria	Major events ≥ 5	Increased Trust revenue
	AFL match days ≥ 8 ; due to COVID-19 only 5; AFLW ≥ 3	Reduced reliance on State Funding
	Community events ≥ 3	Contribute to the local economy
	Contracted commercial events ≥ 2	Employ local staff
Support State & professional sporting teams competing in National & International events in consultation with SRV, GFC and other sporting bodies	The stadium has hosted several Double Headers, increased female participation, AFLW & VFLW	Increase in Trust revenue
	Alignment with 'Active Victoria' policy	Reduce reliance on State Funding
	Engaging with elite sporting bodies	Contribute to the local economy and livability of the region
Support athlete development via provision of high-quality performance coaching, training, sport science and recovery facilities with GFC and other sporting bodies	Barwon Sports Academy (BSA) with GFC – high performance training facility.	High performance facilities provided to local athletes at discount prices.
	Working towards a regional Community Cricket Hub in Stage 5.	
Provide access to appropriate facilities to state sports administrations via Sport House (SH)	SH currently has the following tenants: BSA; Football Federation Victoria, Cricket Victoria, Geelong Cricket Association; Leisure Networks; Golf Australia; Basketball Victoria Country; Tennis Victoria	Increased Trust revenue. (minimal)
	The Trust in association with SRV in talks with regional sport academies to join SH	Contribute to the local economy and liveability of the region.
	The Trust in association with SRV, mapping a Strategic Plan (WIP)	Strong community engagement Govt. support

CORPORATE GOVERNANCE

As outlined in the Act, the Trust will apply these principles throughout its corporate structures, relationships, policies, systems and processes.

EXPECTATION	OUTCOMES	BUSINESS IMPLICATIONS
Authorising Legislation	The Trust has documented all legislation that significantly affects operations in its business plan	Aid department in considering reform
Create an Asset Management Plan that complies with DTF's Asset Management Accountability Framework (2016)	<p>The Trust has implemented an Asset Management Plan incorporating and aligning the plan with the DTF's Finance Asset Management Accountability Framework (AMAF)</p> <p>GFC to provide the Trust with an asset register and asset management plan with regards to the stadium assets gained during the Stage 4 and other redevelopments of the stadium to ensure assessed lifecycles are maintained as per DTF AMAF</p>	<p>Improved financial forecasting.</p> <p>Improved asset maintenance.</p> <p>Improved management program.</p> <p>Lifecycle costing efficiencies.</p> <p>Improved asset maintenance.</p> <p>Improved management program.</p>
Stakeholder Engagement and Research	<p>KPAC established with representatives from all stakeholders in the Kardinia Park Precinct. Five KPAC meetings held throughout FY2019/20.</p> <p>KP Masterplan</p>	<p>Improved stakeholder engagement.</p> <p>Information sharing.</p> <p>Improved utilisation of the precinct.</p> <p>Improved safety and traffic management outcomes within the Precinct.</p>
Consider how application of Vic Govt. purchasing board's policies and practices might apply for Trust's procurement policy	<p>At the time of adoption, the Trust is not a 'mandated agency' in accordance with section 54AA of the <i>Financial Management Act 1994</i> and therefore not subject to the requirement of the Act or policies of the VGPB in relation to the supply of goods and services.</p> <p>However, the Trust is committed to applying best practice and will align procurement processes with VGPB within reason.</p> <p>The Trust recorded no probity issues in FY2019/20.</p>	<p>Adhere to 'local first' policy. Support keeping business in Geelong program. GROW initiative.</p> <p>Financial prudence</p>
Trust Process and Performance	<p>Chairman has successfully reviewed the performances of Members of the Trust.</p> <p>Formal reviews (People Partnering) with CEO and staff exemplify behaviours and values contained within code of conduct for Victorian Public Sector Employees</p>	Promotes good governance

PERFORMANCE AND REPORTING

High Quality performance reporting. Trust should strive to report its performance against desired outcomes.

EXPECTATION	OUTCOMES	BUSINESS IMPLICATIONS
Provide financial reports to SRV as and when required, including the annual business plan and annual report, as specified under Section 21 of <i>Kardinia Park Stadium Trust Act</i>	<p>The Trust has complied with all requests and has provided additional data when and if required.</p> <p>The Trust has complied with all additional COVID-19 reporting requirements.</p>	<p>Improved reporting metrics</p> <p>Improved planning and engagement with Government</p>
Develop performance measures to be included in Business Plan	Based on its four strategic initiatives, the Trust has identified various Business Deliverables for the FY 2019/20.	Improved reporting metrics
Statement of Expectation performance to be included in annual reports	<p>The Trust has incorporated the annual report timeline within its operational and financial reporting timeline to ensure on time delivery.</p> <p>Statement of Expectation is included in the annual report.</p>	<p>Best practice reporting to Government</p> <p>Enhanced measurement of business practices</p>

FINANCIAL OVERVIEW

OPERATING STATEMENT

For the Financial year ended 30 June 2020 the Trust finished with a net deficit position from total transactions of \$1.370million, realised after depreciation is taken into consideration.

The operating result is primarily due to the \$1million State Government Emergency COVID-19 Funding received in June 2020. The funding was to provide relief for agencies to assist with the loss of revenue due to the State Government's Rent Relief Policy (a loss of \$630K) and loss of income as a result of the cancellation of events because of the pandemic restrictions.

Since the pandemic announcement mid-March 2020, the Trust actively managed all expenses to mitigate the loss of revenue by restricting all discretionary spending, imposing a freeze on recruitment and a delay in professional development. Only essential maintenance was actioned to ensure a safe and secure stadium. Depreciation charges increase year on year due to ongoing redevelopment works at the stadium.

Operational funding received during the financial year from State Government equates to \$4.73million and \$1million of Emergency COVID-19 funding.

BALANCE SHEET

Liabilities as at 30 June 2020 decreased due to the implementation of the State Government's initiative regarding payment of Suppliers within 10 days. Increase in Cash at bank due to timing of funding received, and reduction in receivables resulted in a higher financial asset result than the prior year.

Several capital projects are still in progress (value \$1.3million), for which funding has been committed during the year.

SUMMARY OF FINANCIAL RESULTS

(\$ thousand)

	2020	2019	2018	2017
Income from Government	5,730	4,890	4,470	4,432
Total income from transactions	1,166	1,749	1,224	1,347
Total expenses from transactions	(8,266)	(7,941)	(6,325)	(5,279)
Net result from transactions	(1,370)	(1,302)	(631)	500
Net result for the period	(1,357)	(1,304)	(634)	431
Net cash flow from operating activities	1,250	2,489	1,304	1,339
Total Assets	170,204	169,388	171,453	166,015
Total liabilities	975	1,328	2,425	842

CAPITAL PROJECTS/ ASSET INVESTMENTS

During the 2019/20 financial year, none of the capital projects completed by the Trust had a Total Estimated Investment of \$10 million or more as required by the disclosure threshold. The following projects have either commenced or been completed:

- Turf Clipping Storage – dedicated area to hold green waste for use by the turf contractor;
- Glass Balustrade – Installation of a glass balustrade at the top of Gate 13 entry behind top row of seating, providing a wind break;
- Portable soccer goal posts – procured high-grade portable football goals for purpose of catering for increased A-League and soccer content;
- Soccer benches – new;
- Net Post Replacement – Replaced existing goal-kicking net posts;
- Stadium HVAC upgrades and replacement of air conditioner systems;
- Portable Turf Wickets – to cater for BBL and ICC World Cup T20;
- Ambulance Race Gates – installed new gates for safety;
- Thermal Imaging camera – as a result of COVID-19 installed in main Trust / media entry;
- Hickey Stand Change room upgrades – installation of ice baths and unisex change rooms;
- Improved Stadium Power resilience – work has started to improve the power supply to the stadium to improve reliability across the network and within the stadium.

DISCLOSURES AND COMPLIANCE

EMPLOYMENT PRINCIPLES

The Trust is committed to ensuring employees are engaged and aligned to achieve its strategic and business objectives and achieves this by applying merit and equity principles when appointing staff. The selection processes ensure applicants are assessed and evaluated fairly and equitably based on the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

Key focus areas this year have been the implementation of a new People Partnering program and ongoing coaching for the executive leadership team to manage high performance teams.

EMPLOYEE ASSISTANCE PROGRAM

The Trust values the wellbeing of its employees and offers an Employee Assistance Program (EAP) that provides employees and their immediate family members with access to free, confidential counselling to help address work and personal issues.

STATEMENT OF WORKFORCE DATA

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity. The Commissioner establishes minimum standards (the Standards) of merit, equity and probity to be complied with in the public sector (s.21 of the *Public Sector Management Act 1994* [the Act]).

The Trust is committed to these two codes.

The total number of personnel employed by the Kardinia Park Stadium Trust as at 30 June 2020 was 24.

DETAILS OF EMPLOYEE LEVELS

2020	ALL EMPLOYEES		ONGOING			FIXED TERM & CASUAL	
GENDER	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
Male	12	8.36	8	0	8	4	0.36
Female	12	9.94	9	1	9.8	2	0.14
Self-Described	-	-	-	-	-	-	-
AGE							
15-24	2	-	1	-	-	1	-
25-34	9	-	8	-	-	1	-
35-44	5	-	4	1	-	-	-
45-54	8	-	4	-	-	4	-
55-64	-	-	-	-	-	-	-
65+	-	-	-	-	-	-	-
Total employees	24	-	17	1	17.8	6	-
Executives	1	1	1	-	1	-	-

2019	ALL EMPLOYEES		ONGOING			FIXED TERM & CASUAL	
GENDER	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
Male	14	9.63	8	1	8.8	5	0.83
Female	14	10.05	7	3	8.8	4	1.25
Self-Described	-	-	-	-	-	-	-
AGE							
15-24	11	-	4	1	-	6	-
25-34	6	-	4	-	-	2	-
35-44	8	-	5	3	-	-	-
45-54	3	-	2	-	-	1	-
55-64	-	-	-	-	-	-	-
65+	-	-	-	-	-	-	-
Total employees	28	-	15	4	17.6	9	-
Executives	1	1	1	-	1	-	-

OCCUPATIONAL HEALTH AND SAFETY

The Trust is committed to providing and maintaining an environment that is safe for all employees, contractors, promoters, tenants, and patrons. The Trust aims to have a positive safety culture that is committed to:

- Complying with all applicable health and safety legal and other obligations by keeping up to date with the latest legislative requirements;
- Establishing measurable objectives and targets by monitoring and reporting all safety incidents and accidents aimed to reduce the likelihood of recurrence and to eliminate work-related injury and illness;
- Promoting and working together to provide a safe working environment for all personnel within work locations associated with the organisation;
- Working with our employees, contractors, promoters, tenants, patrons and stakeholders to help them achieve their health and safety requirements and objectives;
- Adopting a communicative and consulting approach to safety throughout the organisation in providing training and information to employees and subcontractors to undertake their work activities in a safe and healthy environment;
- Providing and maintaining the best practice health and safety standards; and

- Continuous improvement of the safety management system through regular evaluation, audit, review and customer/employee satisfaction with regard to safety performance.

The Trust is committed to continual improvement of safety performance.

The Trust recorded no notifiable incidents. Notifiable incidents are those which require the OHS Regulator to be notified when they occur.

PERFORMANCE AGAINST OH&S MANAGEMENT MEASURES

MEASURE	KPI	2019-20	2018-19
Incidents	No. of incidents	20	41
	Rate per 100 FTE	0	0
Claims	No. of standard claims	-	-
	Rate per 100 FTE	-	-
	No. of lost time claims	-	-
	Rate per 100 FTE	-	-
Fatalities	Fatality claims	-	-
Claim costs	Average cost per standard claim	-	-
Risk management	No. of Improvement Notices issued by WorkSafe Inspector	-	-
	Percentage of issues identified actioned arising from:		
	- internal audits;	100%	100%
	- HSR provisional improvement notices (PINs); and	-	-
	- WorkSafe notices.	-	-
OHS meetings	No. of OHS meeting held during year	6	6

CONSULTANCY SERVICES

DETAILS OF CONSULTANCIES OF >\$10,000

(\$ thousand)

CONSULTANT	PURPOSE OF CONSULTANCY	EXPENDITURE 2020
Waypoint	Sports Facility Advisory	340
Populous	Architectural Design	265
Duo Projects	Project management	145
Kino Consulting Pty Ltd	Legal Services	97
UMOW LAI	Engineering services	74
GHD Pty Ltd	Engineering and architectural services	72
International Resilience Group Pty Ltd	Business Resilience	71
Aver Pty Ltd	Project Management	67
Landell Corporation Pty Ltd	Probity services	57
WTP Australia Pty Ltd	Quantity Surveyors	54
Tract Consultants Pty Ltd	Kardinia Park Masterplan	53
Patash and Civil Group Pty Ltd	Project Management and Construction Services	40
Jem Fuller	Professional Development	35
Phillip Greenham Lawyer	Legal Services	27
Davidson Executive & Board Pty Ltd	Recruitment	21
Horsburgh Consulting Services Pty Ltd	Business Continuity	15
Diplomacy	Strategic Advisory	14

DETAILS OF CONSULTANCIES LESS THAN \$10,000

Number: 7

Total Amount: \$47,348.29

ICT EXPENDITURE

For the 2019-20 reporting period, the Trust had a total ICT expenditure of \$264,914 with the details shown below.

(\$ thousand)

ALL OPERATIONAL ICT EXPENDITURE		ICT EXPENDITURE RELATED TO PROJECTS TO CREATE OR ENHANCE ICT CAPABILITIES	
BUSINESS AS USUAL (BAU) ICT EXPENDITURE	NON-BUSINESS AS USUAL (NON-BAU) ICT EXPENDITURE	OPERATIONAL EXPENDITURE	CAPITAL EXPENDITURE
(Total)	(Total = Operational expenditure and capital expenditure)		
156	109	57	52

ICT expenditure refers to the Trust's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-Business as Usual (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.

LOCAL JOBS FIRST

In August 2018, the Victorian Parliament reformed the *Victorian Industry Participation Policy Act 2003 and the Major Project Skills Guarantee (MPSG)* into the *Local Jobs First Act 2003*. The Trust is required to apply *Local Jobs First* in all procurement and projects activities over \$1 million.

MPSG applies to all construction projects valued at \$20million or more.

STRATEGIC PROJECT COMMENCED - LOCAL JOBS FIRST

During 2019-20, the Trust commenced one Local Jobs First Strategic Project valued at \$102M. The project is based in regional Victoria representing 100% of estimated local content.

The outcomes reported from the implementation of the policy where information was provided, were as follow:

- A 100% of local content outcome was recorded;
- Three cadets were retained;
- MPSG projects provided a total of 675 hours to cadets.

GOVERNMENT ADVERTISING EXPENDITURE

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

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 to 30 June 2020, the Trust received one request for information pursuant to the *Freedom of Information Act 1982*.

MAKING A REQUEST

Access to documents can be lodged online at www.foi.vic.gov.au as detailed in s17 of the *Freedom of Information Act 1982*.

The General Manager Finance and Corporate Services is the contact officer in relation to all Freedom of Information requests. Access to documents may also be obtained through written request to the General Manager Finance and Corporate Services, addressed as follow:

**Freedom of Information Officer
Kardinia Park Stadium Trust
PO Box 2128, Geelong, VIC, 3220.**

Access charges may also apply once documents have been processed and a decision on access is made; for example, photocopying and search retrieval charges.

Further information regarding the operation and scope of Freedom of Information can be obtained from the Act, regulations made under the Act, and www.foi.vic.gov.au

STATEMENT OF COMPLIANCE WITH BUILDING ACT 1993

During the 2019-20 financial year the Trust has carried out work and maintenance that complies with the specification of the *Building Act 1993* where applicable.

Pursuant to its obligations under Section 220 of the *Building Act 1993* the Trust continues to work with Government to fully investigate combustible cladding at Kardinia Park Stadium. The Victorian Government has recognised the serious risk presented by combustible cladding and provided funding in the 2019-20 State Budget for Government departments and their agencies to rectify government-owned buildings at risk, including Kardinia Park Stadium. The Trust has assessed the immediate risk and put in place appropriate mitigation strategies until long term rectification works are undertaken. Cladding Safety Victoria has been appointed to work with the Trust in rectifying and identified works.

NATIONAL COMPETITION POLICY

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete the Trust applies and regularly reviews its activities in line with the principles of competitive neutrality to all commercial operations in accordance with the Victorian Government Competitive Neutrality Policy. The Trust takes necessary action to implement competitive neutrality measures where required.

COMPLIANCE WITH THE PUBLIC INTEREST DISCLOSURES ACT 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Trust does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to

public health and safety or the environment. The Trust will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

REPORTING PROCEDURES

Disclosures of improper conduct or detrimental action by the Trust or any of its employees and/or officers may be made to the following officer:

The Protected Disclosure Coordinator and Officer:

Daphne Henderson
General Manager Finance and Corporate Services
PO Box 2128,
Geelong, VIC, 3220

Email: daphne.henderson@kardiniapark.vic.gov.au

Alternatively, disclosures of improper conduct or detrimental action by the Trust or any of its employees and/or officers may also be made directly to the Independent Broad-based Anti-Corruption Commission:

Level 1,
459 Collins Street (North Tower)
Melbourne VIC 3000

Telephone: 1300 735 135
Internet: www.ibac.vic.gov.au
Email: (refer website above)

DISCLOSURES UNDER THE PROTECTED DISCLOSURE ACT 2012

	2019-20 NUMBER	2018-19 NUMBER
The number of disclosures made by an individual to the Department and notified to the Independent Broad based Anti corruption Commission		
Assessable disclosures	0	0

DISCLOSURE INDEX

MINISTERIAL DIRECTIONS & FINANCIAL REPORTING DIRECTIONS		
REPORT OF OPERATIONS		
CHARTER AND PURPOSE		
FRD 22H	Manner of establishment and the relevant Ministers	7-8
FRD 22H	Purpose, functions, powers and duties	7
FRD 8D	Departmental objectives, indicators and outputs	16-18
FRD 22H	Key initiatives and projects	16-18
MANAGEMENT AND STRUCTURE		
FRD 22H	Organisational structure	9
FINANCIAL AND OTHER INFORMATION		
FRD 8D	Performance against output performance measures	16-18
FRD 10A	Disclosure index	29
FRD 15D	Executive officer disclosures	4
FRD 22H	Employment and conduct principles	21
FRD 22H	Occupational health and safety policy	23
FRD 22H	Summary of the financial results for the year	19-20
FRD 22H	Application and operation of <i>Freedom of Information Act 1982</i>	26
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	26
FRD 22H	Statement on National Competition Policy	26
FRD 22H	Application and operation of the <i>Protected Disclosure Act 2012</i>	27
FRD 22H	Details of consultancies over \$10 000	24
FRD 22H	Details of consultancies under \$10 000	24
FRD 22H	Disclosure of government advertising expenditure	25
FRD 22H	Disclosure of ICT expenditure	25
FRD 22H	Statement of availability of other information	27
FRD 25D	Local Jobs First	25
FRD 29B	Workforce Data disclosures	21-22
SD 5.2	Specific requirements under Standing Direction 5.2	32
COMPLIANCE ATTESTATION AND DECLARATION		
SD 3.7.1	Attestation for compliance with Ministerial Standing Direction	5
SD 5.1.4	Declaration in report of operations	5
LEGISLATION		
<i>Freedom of Information Act 1982</i>		26
<i>Building Act 1993</i>		26
<i>Protected Disclosure Act 2012</i>		27
<i>Local Jobs First Act 2003</i>		25
<i>Financial Management Act 1994</i>		5 & 32

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020





BOARD MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCE OFFICER'S DECLARATION

The attached financial statements for the Kardinia Park Stadium Trust have been prepared in accordance with 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 financial year ended 30 June 2020 and the financial position of Kardinia Park Stadium Trust as at 30 June 2020.

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

We authorise the attached financial statements for issue on 1 September 2020.



Mr Stephen Gough

Chairperson

Kardinia Park Stadium Trust



Mr Gerard Griffin

Chief Executive Officer

Accountable Officer

Kardinia Park Stadium Trust



Ms Daphne Henderson

General Manager

Finance and Corporate Services

Chief Finance Officer

Kardinia Park Stadium Trust

1-Sep-20

COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

(\$ thousand)

	NOTES	2020	2019
INCOME FROM TRANSACTIONS			
Grants	2.1	5,730	4,890
Sale of goods and services	2.2	1,141	1,654
Interest	2.3	25	95
Total income from transactions		6,896	6,639
Expenses from transactions			
Employee benefit expenses	3.1	2,370	2,106
Depreciation	4.2	2,381	2,347
Other operating expenses	3.5	3,515	3,488
Total expenses from transactions		8,266	7,941
Net result from transactions (net operating balance)		(1,370)	(1,302)
Other economic flows included in net result			
Net gain/(loss) arising from revaluation of long service leave liability		(1)	(2)
Net gain/(loss) on non-financial assets		14	-
Total other economic flows included in net result		13	(2)
Net result		(1,357)	(1,304)
Other economic flows – other comprehensive income			
Changes in physical asset revaluation surplus	8.1	494	336
Comprehensive result		(863)	(968)

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

**BALANCE SHEET
AS AT 30 JUNE 2020**

(\$ thousand)

	NOTES	2020	2019
ASSETS			
Financial assets			
Cash and deposits		5,828	4,208
Receivables	5.1	550	1,065
Total financial assets		6,378	5,273
Non-financial assets			
Property, plant and equipment	4.1	163,762	163,937
Other non-financial assets	5.3	64	178
Total non-financial assets		163,826	164,115
Total assets		170,204	169,388
LIABILITIES			
Payables	5.2	764	1,172
Employee related provisions	3.2	211	156
Total liabilities		975	1,328
Net assets		169,230	168,060
EQUITY			
Accumulated surplus/(deficit)		(2,995)	(1,638)
Physical asset revaluation surplus	8.3	1,550	1,056
Contributed capital		170,675	168,642
Net worth		169,230	168,060

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

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

(\$ thousand)

	NOTES	PHYSICAL ASSET REVALUATION SURPLUS	ACCUMULATED SURPLUS	CONTRIBUTIONS BY OWNER	TOTAL
Balance at 1 July 2019		1,056	(1,638)	168,642	168,060
Net Result for the year		-	(1,357)	-	(1,357)
Other Comprehensive Income	8.3	494	-	-	494
Transfer to (from) contributed capital		-	-	2,033	2,033
Balance at 30 June 2020		1,550	(2,995)	170,675	169,230
Balance at 1 July 2018		720	(334)	168,642	169,028
Net Result for the year		-	(1,304)	-	(1,304)
Other Comprehensive Income	8.3	336	-	-	336
Transfer to (from) contributed capital		-	-	-	-
Balance at 30 June 2019		1,056	(1,638)	168,642	168,060

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

(\$ thousand)

	NOTES	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Receipts from government		5,820	4,940
Receipts from customers		4,665	4,664
Interest received		23	95
Goods and services tax received from the ATO*		254	60
Total receipts		10,762	9,759
PAYMENTS			
Payments to suppliers		(7,064)	(5,474)
Payments to and on behalf of employees		(2,448)	(1,796)
Total payments		(9,512)	(7,270)
Net cash flows from/(used in) operating activities	6.1	1,250	2,489
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(1,743)	(2,559)
Net cash flows from/(used in) investing activities		(1,743)	(2,559)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from Government		2,033	906
Interest received		2	-
Goods and services tax received from the ATO*		79	-
Net cash flows from/(used in) financing activities		2,113	906
Net increase/(decrease) in cash and cash equivalents		1,620	836
Cash and cash equivalents at beginning of financial year		4,208	3,372
Cash and cash equivalents at end of financial year		5,828	4,208

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

*Goods and Services Tax paid to / received from the Australian Taxation Office is presented on a net basis

NOTES TO THE FINANCIAL STATEMENTS

1. ABOUT THIS REPORT

The Trust is a statutory authority of the State of Victoria, established pursuant to an order made by the Premier under the *Kardinia Park Stadium Trust Act 2016*

Its principal address is:

Kardinia Park Stadium Trust
370 Moorabool Street
Geelong, VIC, 3220

A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

Basis of Preparation

These annual financial statements represent the audited general purpose financial statements for Kardinia Park Stadium Trust (The Trust) for the period ended 30 June 2020. The report provides users with information about the Trust's stewardship of resources entrusted to it.

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing 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.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Trust.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

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 significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. 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.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'

Amounts in the financial statements have been rounded to the nearest \$1,000, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Compliance Information

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

Where appropriate, those AASBs paragraphs applicable to not-for-profit entities have been applied. 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.

2. FUNDING DELIVERY OF OUR SERVICES

The Trust's overall objective is to administer, promote and manage the Kardinia Park Stadium Trust Land, within an over-arching objective of contributing to the economic, community, and liveability benefits to Geelong and the broader region, that arise from the use of the Stadium.

To enable the Trust to fulfil its objectives, it receives income (predominantly accrual based grant funding). The Trust also receives income from the sale of goods and services, including rental income.

Revenue and income that fund the delivery of the Trust's objectives are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

Income from transactions

2.1 GRANTS

(\$ thousand)

	2020	2019
General purpose	4,700	4,600
Other specific purpose	1,030	290
Total grants	5,730	4,890

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

Income from grants that are enforceable and with sufficiently specific performance obligations and accounted for under AASB 15 revenue from contracts with customers are recognised when the Trust satisfies the performance obligation based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Trust receives the cash. On initial recognition of the asset, the Trust recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- (a) contributions by owners, in accordance with AASB 1004;
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- (c) a lease liability in accordance with AASB 16;
- (d) a financial instrument, in accordance with AASB 9; or
- (e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

The adoption of AASB 15 and AASB 1058 did not have an impact on the financial statements in the 2019-20 financial year. There are no changes to comparative information as a result of these new requirements.

Within the above Grants, the Victorian Government provided the Trust with \$1.0m in June 2020 to assist with cash flow as a result of the COVID-19 pandemic.

Previous accounting policy for 30 June 2019:

Grant income arises from transactions in which a party provides goods or assets (or extinguishes a liability) to the Trust without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers).

Receipt and sacrifice of approximately equal value may occur, but only by coincidence.

Some grants are reciprocal in nature (i.e. equal value is given back by the recipient of the grant to the provider). The Trust recognises income when it has satisfied its performance obligations under the terms of the grant.

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

2.2 SALE OF GOODS AND SERVICES

(\$ thousand)

	2020	2019
Lease Income	611	1,056
Rendering of services	530	598
Total sale of goods and services	1,141	1,654

Revenue is measured on the consideration specified in the contract with the customer. The Trust recognises revenue when, or as, the performance obligations for the sale of goods and services to the customer are satisfied. Income from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided. Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligations is satisfied but not yet billed, a contract asset is recorded (Note 5.1).

Sale of goods and services includes lease income from the Geelong Football Club and Sports House Tenants, which is recognised at the time the rent is billed.

The adoption of AASB 15 did not have an impact on the financial statements in the 2019-20 financial year. There are no changes to comparative information as a result of these new requirements (Refer to Note 8 for transition impact).

In March 2020, the Victorian Government announced a \$1.7billion COVID-19 Economic Survival Package. It included rent relief policy response with a commitment that commercial tenants in government building can apply for rent relief for the period 1 January -31 December 2020. All tenants of Trust have applied for the rent relief.

Previous accounting policy for 30 June 2019:

Income from the sale of goods and services is recognised when:

- The Trust no longer has any of the significant risks and rewards of ownership of the goods and services transferred to the buyer;
- The Trust no longer has continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold and services provided;
- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the Trust.

The adoption of AASB 15 did not have an impact on the financial statements in the 2019-20 financial year. There are no changes to comparative information as a result of these new requirements.

2.3 INTEREST

(\$ thousand)

	2020	2019
Interest on bank deposits	25	95
Total interest	25	95

Interest income includes interest received on bank deposits. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

3. THE COST OF DELIVERING SERVICES

This section provides an account of the expenses incurred by the Trust in delivering services. In Section 2, the funds that enable the provision of goods and services were disclosed and in this note the cost associated with provision of goods and services are recorded.

Expenses incurred in the delivery of services

3.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT

(\$ thousand)

	2020	2019
Salaries and wages, annual leave and long service leave	2,153	1,940
Termination benefits	22	-
Superannuation contribution expense	195	166
Total employee expenses	2,370	2,106

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

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.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Trust is demonstrably committed to 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.

3.2 EMPLOYEE BENEFITS IN THE BALANCE SHEET

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

(\$ thousand)

	2020	2019
CURRENT PROVISIONS:		
Annual Leave		
Unconditional and expected to settle within 12 months	110	72
Unconditional and expected to settle after 12 months	19	12
Long Service Leave		
Unconditional and expected to settle within 12 months	11	12
Unconditional and expected to settle after 12 months	38	22
Accrued Days Off (Time in Lieu)	4	15
Provisions for on-costs		
Unconditional and expected to settle within 12 months	16	13
Unconditional and expected to settle after 12 months	7	4
	204	150
NON-CURRENT PROVISIONS:		
Long Service Leave		
Conditional and expected to settle after 12 months	6	5
Provision for on-costs		
Conditional and expected to settle after 12 months	1	1
	211	156

3.3 MOVEMENT IN PROVISIONS

(\$ thousand)

	2020	2019
Opening balance	156	124
Additional provisions recognised	239	187
Reductions arising from payments/other sacrifices of future economic benefits	(185)	(157)
Unwind of discount and effect of changes in the discount rate	1	2
Closing balance	211	156
Current	204	150
Non-current	7	6

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and on-costs are all 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. The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date.

Depending on the expectation of the timing of 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.

Unconditional LSL is disclosed as a current liability, even where 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. The components of this current LSL liability 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.

Conditional LSL is disclosed as a non-current liability. There is a conditional 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.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

3.4 SUPERANNUATION

Employees of the Trust are entitled to receive superannuation benefits. Contributions are made to the VicSuper Fund as the Trust's default fund, and to other funds elected by employees under Super Choices legislation. Superannuation contributions paid or payable for the reporting period are included as part of employee expenses in the comprehensive operating statement of the Trust.

The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the Trust are shown in the table below. Other funds represent all other employee funds with a total contribution made below \$30,000 for the year.

(\$ thousand)

	PAID CONTRIBUTION FOR THE YEAR		CONTRIBUTION OUTSTANDING AT YEAR END	
	2020	2019	2020	2019
DEFINED CONTRIBUTION PLANS				
VicSuper	43	32	7	-
Other	135	126	17	8
Total	178	158	23	8

3.5 OTHER OPERATING EXPENSES

(\$ thousand)

	2020	2019
SUPPLIES AND SERVICES		
Purchase of services (including remuneration of auditors)	2,192	2,346
Maintenance	1,324	1,142
Total other operating expenses	3,515	3,488

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

4. KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

4.1 TOTAL PROPERTY, PLANT AND EQUIPMENT

(\$ thousand)

	GROSS CARRYING AMOUNT		ACCUMULATED DEPRECIATION		NET CARRYING AMOUNT	
	2020	2019	2020	2019	2020	2019
Land at fair value	7,550	7,056	-	-	7,550	7,056
Buildings at fair value	148,075	147,809	(6,016)	(4,338)	142,059	143,471
Plant and equipment at fair value	12,003	11,652	(2,179)	(1,495)	9,824	10,157
Capital work in progress at cost	4,330	3,253	-	-	4,330	3,253
Net carrying amount	171,957	169,770	(8,196)	(5,833)	163,762	163,937

Initial Recognition

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The fair value of plant and equipment, is normally determined by reference to the asset's depreciated replacement cost.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvement is capitalised as an asset and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the improvements.

Subsequent Measurement

All non-current physical assets are measured initially at cost and subsequently revalued at fair value using the depreciated replacement cost method.

Non-financial physical assets such as Crown land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses.

Refer to Note 7.3.2 for further details on the fair value determination for non-financial physical assets.

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

4.2 DEPRECIATION AND AMORTISATION

Charge for the period

(\$ thousand)

CHARGE FOR THE PERIOD	2020	2019
Buildings	1,678	1,673
Plant and equipment	702	674
Total depreciation	2,381	2,347

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under leases, assets held for sale, and land) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

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

(years)

ASSET	USEFUL LIFE
Buildings	25-110 years
Plant and equipment	2-25 years
Office Furniture	5-10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Land is considered to have an indefinite life. Depreciation is not recognised in respect of this asset because its service potential has not, in any material sense, been consumed during the reporting period.

4.3 RECONCILIATION OF MOVEMENTS IN THE CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT

(\$ thousand)

	LAND	BUILDINGS	PLANT AND EQUIPMENT	CAPITAL WORK IN PROGRESS	TOTAL
2020	AT FAIR VALUE	AT FAIR VALUE	AT FAIR VALUE	AT COST	
Opening balance	7,056	143,471	10,157	3,253	163,937
Additions	-	-	-	1,749	1,749
Disposals	-	-	(36)	-	(36)
Revaluation of PPE	494	-	-	-	494
Transfer in/out of assets under construction	-	266	406	(672)	-
Depreciation	-	(1,678)	(702)	-	(2,381)
Closing balance	7,550	142,059	9,824	4,330	163,762

(\$ thousand)

	LAND	BUILDINGS	PLANT AND EQUIPMENT	CAPITAL WORK IN PROGRESS	TOTAL
2019	AT FAIR VALUE	AT FAIR VALUE	AT FAIR VALUE	AT COST	
Opening balance	6,720	145,110	10,622	3,201	165,653
Additions	-	-	-	609	609
Disposals	-	(296)	(18)	-	(314)
Revaluation of PPE	336	-	-	-	336
Transfer in/out of assets under construction	-	330	227	(557)	-
Depreciation	-	(1,673)	(674)	-	(2,347)
Closing balance	7,056	143,471	10,157	3,253	163,937

5. OTHER ASSETS AND LIABILITIES

This section sets out those assets and liabilities that arose from the Trust's operations.

5.1 RECEIVABLES

(\$ thousand)

	2020	2019
CONTRACTUAL		
Sale of goods and services	400	871
State Government Grants	10	100
STATUTORY		
GST input tax credit recoverable	128	94
FBT Receivable	11	-
Total receivables	550	1,065
<i>Represented by:</i>		
Current receivables	550	1,065

Contractual receivables are classified as financial instruments and categorised as financial assets at amortised cost.

Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

Receivables are subject to impairment loss assessment in accordance with AASB 9's expected credit loss model. Where losses are identified, the impairment loss allowance is increased accordingly with the impairment expense recognised in the net result as an 'other economic flow'. There was no impairment loss on receivables during the 2019-20 financial year (FY2019: nil).

5.2 PAYABLES

(\$ thousand)

	2020	2019
CONTRACTUAL		
Supplies and services	220	731
Unearned Income	-	33
Other payables	438	320
STATUTORY		
FBT payable	-	14
Superannuation payable	25	8
Other taxes payable	82	66
Total payables	764	1,172
<i>Represented by:</i>		
Current payables	764	1,172

Payables consist of:

- **contractual payables**, such as accounts payable and including deferred income from concession notes. Accounts payable represent 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. Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost; and
- **statutory payables**, such as goods and services tax and fringe benefits tax payables. Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Maturity analysis of contractual payables

(\$ thousand)

2020	CARRYING AMOUNT	NOMINAL AMOUNT	MATURITY DATES				
			LESS THAN 1 MONTH	1-3 MONTHS	3 MONTHS - 1 YEAR	1- 5 YEARS	5+ YEARS
Supplies and services	220	220	220	-	-	-	-
Other payables	438	438	438	-	-	-	-
Total	658	658	658	-	-	-	-
2019							
Supplies and services	731	731	666	60	5	-	-
Unearned Income	33	33	33	-	-	-	-
Other payables	320	320	320	-	-	-	-
Total	1,084	1,084	1,019	60	5	-	-

Maturity analysis is presented using the contractual undiscounted cash flows.

5.3 OTHER NON-FINANCIAL ASSETS

(\$ thousand)

	2020	2019
CURRENT OTHER ASSETS		
Prepayments	65	178
Total current other assets	65	178
Total other non-financial assets	65	178

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or payments made for services covering a term extending beyond that financial accounting period.

6. HOW WE FINANCED OUR OPERATIONS

This section provides information on the sources of finance utilised by the Trust during its operations and other information relating to the financing of the Trust. This section includes disclosures of balances that are financial instruments.

6.1 RECONCILIATION OF NET RESULT FOR THE PERIOD TO NET CASH FLOWS FROM OPERATING ACTIVITIES

(\$ thousand)

	2020	2019
NET RESULT FOR THE FINANCIAL YEAR	(1,357)	(1,304)
Add/(less) non-cash movements included in the result for the year:		
Depreciation and amortisation of non-financial assets	2,381	2,347
Disposal of assets	36	314
Movement in assets and liabilities:		
(Increase)/decrease in receivables	515	165
(Increase)/decrease in other non-financial assets	114	113
Increase/(decrease) in payables	(495)	821
Increase/(decrease) in employee provisions	55	32
Net cash flows from/(used in) operating activities	1,250	2,488

6.2. COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. When 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.

6.2.1 TOTAL COMMITMENTS PAYABLE

(\$ thousand)

NOMINAL AMOUNTS 2020	LESS THAN 1 YEAR	1-5 YEARS	5+ YEARS	TOTAL
CAPITAL EXPENDITURE COMMITMENTS PAYABLE	1,172	-	-	
Total commitments (inclusive of GST)	1,172	-	-	-
Less GST recoverable from the Australian Taxation Office	107	-	-	
Total commitments (exclusive of GST)	1,065	-	-	-
2019				
Capital expenditure commitments payable	1,013	-	-	1,013
Total commitments (inclusive of GST)	1,013	-	-	1,013
Less GST recoverable from the Australian Taxation Office	92	-	-	92
Total commitments (exclusive of GST)	921	-	-	921

On 21 September 2018, the Premier, the Hon. Daniel Andrews MP announced an election commitment of \$102 million towards Stage 5 of the Kardinia Park Stadium Redevelopment. The Trust has undertaken feasibility studies and business planning for the development of this project across the 2018-19 and 2019-20 financial years. These costs have been recognised as Work In Progress on the balance sheet. In addition to the amounts shown in Work In Progress and the commitments above, a further \$2.6m of funding has been provided to progress development of the schematic design for the Stage 5 redevelopment of Kardinia Park Stadium ahead of the 2020-21 Victorian Budget in October 2020. The funding for the Activity comes from held in contingency as part of the 2019-20 Budget and approved for release by the Treasurer in June 2020. Further outcomes on the Stage 5 Project are subject to future Government funding announcements.

Following an announcement by the Premier in May 2020, Kardinia Park Stadium Trust has been allocated \$10.5 million of the Victorian Government's \$2.7 billion Building Works Package, phased over FY2020-21 and FY2021-22.

7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

The Trust is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Trust related mainly to fair value determination.

7.1 FINANCIAL INSTRUMENT SPECIFIC DISCLOSURES

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Trust's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation. Guarantees issued by the Treasurer on behalf of the Trust are financial instruments because, although authorised under statute, the terms and conditions for each financial guarantee may vary and are subject to an agreement.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of 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, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

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; and
- receivables (excluding statutory receivables).

Categories of financial liabilities

Financial liabilities at amortised 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.

The Trust recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- deposits held and advances received.

Derecognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired.

Where the Trust has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Trust's continuing involvement in the asset.

Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

7.1.1 FINANCIAL INSTRUMENTS CATEGORISATION

(\$ thousand)

2020	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
CONTRACTUAL FINANCIAL ASSETS			
Cash and deposits	5,828	-	5,828
Receivables ^(a)			
Sale of goods and services	400	-	400
State Government Grants	10	-	10
Total contractual financial assets	6,238	-	6,238
CONTRACTUAL FINANCIAL LIABILITIES			
Payables (b)			
Supplies and services	-	220	220
Other payables	-	438	438
Total contractual financial liabilities	-	658	658

(\$ thousand)

2019	FINANCIAL ASSETS AT AMORTISED COST	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
CONTRACTUAL FINANCIAL ASSETS			
Cash and deposits	4,208	-	4,208
Receivables ^(a)			
Sale of goods and services	871	-	871
State Government Grants	100	-	100
Total contractual financial assets	5,179	-	5,179
CONTRACTUAL FINANCIAL LIABILITIES			
Payables (b)			
Supplies and services	-	731	731
Unearned Income	-	33	33
Other payables	-	320	320
Total contractual financial liabilities	-	1,084	1,084

(a) The total amount of financial assets disclosed here excludes statutory receivables.

(b) The total amount of financial liabilities disclosed here excludes statutory payables (i.e. taxes payable).

7.1.2 FINANCIAL INSTRUMENTS - NET HOLDING GAIN/(LOSS) ON FINANCIAL INSTRUMENTS BY CATEGORY

The net holding gains or losses disclosed below are determined as follows:

For cash and cash equivalents and financial assets at amortised cost, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;

For financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost.

(\$ thousand)

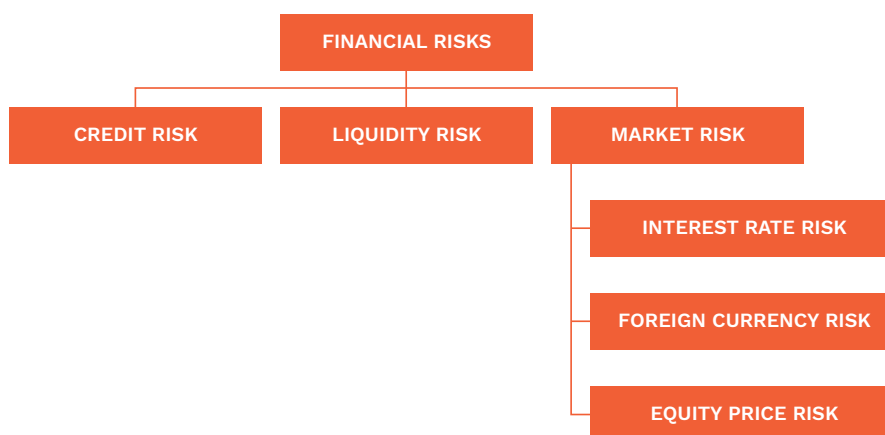
2020	NET HOLDING GAIN/ (LOSS)	TOTAL INTEREST INCOME/ (EXPENSE)	FEE INCOME/ (EXPENSE)	IMPAIRMENT LOSS
CONTRACTUAL FINANCIAL ASSETS				
Financial assets	-	25	-	-
Total contractual financial assets	-	25	-	-

(\$ thousand)

2019	NET HOLDING GAIN/ (LOSS)	TOTAL INTEREST INCOME/ (EXPENSE)	FEE INCOME/ (EXPENSE)	IMPAIRMENT LOSS
CONTRACTUAL FINANCIAL ASSETS				
Financial assets	-	95	-	-
Total contractual financial assets	-	95	-	-

There were no holding gains/(losses); fee income/(expenses) or impairment losses on any financial instruments held. As such, these have not been disclosed.

7.1.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES



As a whole, the Trust's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

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 above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Trust's financial risks within the government policy parameters. The Trust's main financial risks include credit risk, liquidity risk and interest rate risk. The Trust manages these financial risks in accordance with its financial risk management policy.

Financial Instruments: Credit Risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Trust's exposure from credit risk arises from the potential default of a counter party on their contractual obligations, resulting in a financial loss to the Trust. Credit risk is measured at fair value and is monitored on a regular basis.

For debtors other than the Government, it is the Trust's policy to only deal with entities with high credit ratings of a minimum Triple-B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, the Trust does not engage in hedging for its contractual financial assets.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the Trust will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings. Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Trust's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material changes to the Trust's credit risk profile in 2019-20.

7.1.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Credit quality of financial assets**

(\$ thousand)

	FINANCIAL INSTITUTIONS (AA CREDIT RATINGS)		OTHER (MIN BBB CREDIT RATING)		TOTAL	
	2020	2019	2020	2019	2020	2019
Cash and deposits	5,828	4,208			5,828	4,208
Receivables - Sale of Goods and Services	-	-	400	871	400	871
Receivables - State Government Grants	-	-	10	100	10	100
Total contractual financial assets	5,828	4,208	410	971	6,238	5,179

Impairment of financial assets under AASB 9

The Trust records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Trust's contractual receivables, statutory receivables and its investment in debt instruments.

Contractual receivables at amortised cost

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

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

Ageing analysis of contractual financial assets

(\$ thousand)

2019	CURRENT	LESS THAN 1 MONTH	1-3 MONTHS	3 MONTHS - 1 YEAR	1 - 5 YEARS	TOTAL
Expected loss rate	-	0%	0%	0%	0%	-
Gross carrying amount of contractual receivables	463	380	40	88	-	971
Loss Allowance	-	-	-	-	-	-
2018						
Expected loss rate	-	0%	0%	0%	0%	-
Gross carrying amount of contractual receivables	73	-	2	335	-	410
Loss Allowance	-	-	-	-	-	-

Credit loss allowance is classified as other economic flows in the net result. 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. Bad debts considered as written off by mutual consent.

Statutory receivables at amortised cost

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.

Statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months expected losses. No loss allowance has been recognised for the year ended 30 June 2020.

Financial Instruments: Liquidity Risk

Liquidity risk is the risk that the Trust would be unable to meet its financial obligations as and when they fall due. The Trust operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Trust's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. The Trust manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

7.1.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**Financial Instruments: Market Risk**

The Trust's exposure to market risk is primarily through interest rate risk. Objectives, policies and processes used to manage these risks are disclosed below.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Trust does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust has minimal exposure to cash flow interest rate risks through its cash and deposits.

The Trust manages this risk by management monitoring the movement in interest rates and has concluded for cash at bank, financial assets can be left at the floating rate without necessarily exposing the Trust to significant bad risk.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the tables that follow:

Interest rate exposure of financial instruments

(\$ thousand)

2020	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	VARIABLE INTEREST RATE	NON INTEREST BEARING	CARRYING AMOUNT
FINANCIAL ASSETS				
Cash and Deposits	0.67	5,828	-	5,828
Receivables - Sale of Goods and Services	N/A	-	400	400
Receivables - State Government Grants	N/A	-	10	10
Total financial assets	-	5,828	410	6,238
FINANCIAL LIABILITIES				
Payables	-	-	220	220
Other Liabilities	-	-	438	438
Total financial liabilities	-	-	658	658
2019				
FINANCIAL ASSETS				
Cash and Deposits	1.48	4,208	-	4,208
Receivables - Sale of Goods and Services	N/A	-	871	871
Receivables - State Government Grants	N/A	-	100	100
Total financial assets	-	4,208	971	5,179
FINANCIAL LIABILITIES				
Payables	-	-	731	731
Other Liabilities	-	-	353	353
Total financial liabilities	-	-	1,084	1,084

Market risk exposure - Interest Rate Sensitivity

(\$ thousand)

2020	CARRYING AMOUNT	- 1% NET RESULT	- 1% EQUITY	+ 1% NET RESULT	+ 1% EQUITY
Cash and Deposits	5,828	(58)	(58)	58	58
Total (decrease)/increase	5,828	(58)	(58)	58	58
2019					
Cash and Deposits	4,208	(42)	(42)	42	42
Total (decrease)/increase	4,208	(42)	(42)	42	42

7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised on the balance sheet, but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and contingent liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

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

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

The Trust did not have any contingent assets as at 30 June 2020 (FY2019: nil).

Contingent Liabilities

Contingent liabilities are:

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

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

The Trust did not have any material contingent liabilities as at 30 June 2020 (FY2019: nil).

7.3 FAIR VALUE DETERMINATION

Significant judgement: Fair value measurements of assets and liabilities Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Department.

This section sets out information on how the Trust determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating result; and
- land, buildings, infrastructure, plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

The Trust determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair Value Hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- 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 on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, the Trust determines whether transfers have occurred between levels in the hierarchy by reassessing 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 Trust, in conjunction with the Valuer General Victoria, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

7.3.1 FAIR VALUE DETERMINATION OF FINANCIAL ASSETS AND LIABILITIES

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Trust currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2019-20 reporting period. These financial instruments include:

FINANCIAL ASSETS	FINANCIAL LIABILITIES
Cash and Deposits	
Receivables:	Payables:
Sale of goods and services	Supplies and services
Other receivables	Other payables

Where the fair value of the financial instruments is different from the carrying amounts, the following information has been included to disclose the difference.

Fair value of financial instruments measured at amortised cost

(\$ thousand)

	CARRYING AMOUNT	CARRYING AMOUNT	FAIR VALUE	FAIR VALUE
	2020	2019	2020	2019
CONTRACTUAL FINANCIAL ASSETS				
Cash and deposits	5,828	4,208	5,828	4,208
Receivables				
Sale of goods and services	400	871	400	871
State Government Grants	10	100	10	100
Total contractual financial assets	6,238	5,179	6,238	5,179
CONTRACTUAL FINANCIAL LIABILITIES				
Payables				
Supplies and services	220	731	220	731
Other Liabilities	438	353	438	353
Total contractual financial liabilities	658	1,084	658	1,084

7.3.2 FAIR VALUE DETERMINATION: NON-FINANCIAL PHYSICAL ASSETS**Fair value measurement hierarchy**

(\$ thousand)

	CARRYING AMOUNT AS AT	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
2020	30 JUNE 2020	LEVEL 1	LEVEL 2	LEVEL 3
LAND AT FAIR VALUE				
Specialised land	7,550	-	-	7,550
Total of land at fair value	7,550	-	-	7,550
BUILDINGS AT FAIR VALUE				
Specialised buildings	142,059	-	-	142,059
Total of buildings at fair value	142,059	-	-	142,059
PLANT AND EQUIPMENT AT FAIR VALUE				
Plant and equipment	9,824	-	-	9,824
Total of plant, equipment and vehicles at fair value	9,824	-	-	9,824

(\$ thousand)

	CARRYING AMOUNT AS AT	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
2019	30 JUNE 2019	LEVEL 1	LEVEL 2	LEVEL 3
LAND AT FAIR VALUE				
Specialised land	7,056	-	-	7,056
Total of land at fair value	7,056	-	-	7,056
BUILDINGS AT FAIR VALUE				
Specialised buildings	143,471	-	-	143,471
Total of buildings at fair value	143,471	-	-	143,471
PLANT AND EQUIPMENT AT FAIR VALUE				
Plant and equipment	10,157	-	-	10,157
Total of plant, equipment and vehicles at fair value	10,157	-	-	10,157

There have been no transfers between levels during the period.

Specialised Land and Buildings

The market approach is used for specialised land, although it is adjusted for community service obligation (CSO) to reflect the specialised nature of the land being valued. The CSO adjustment reflects 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 Trust's specialised buildings are measured initially at cost and subsequently measured using the depreciated replacement cost method. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

In compliance with FRD 103H, in the year ended 30 June 2020, the Trust conducted an annual assessment of the fair value of land and buildings. To facilitate this, management obtained from the Department of Treasury and Finance the Valuer General Victoria indices for the financial year ended 30 June 2020. These indices were based on pre COVID valuations, which are inherently uncertain in the COVID-19 environment. The latest indices required a further managerial revaluation in 2020. The indexed value was then compared to individual assets written down book value as at 30 June 2020 to determine the change in their fair values. The Department of Jobs, Precincts and Regions approved a managerial revaluation of the land asset class of \$493,920 with an effective date of 30 June 2020. The Fair value of the land had been adjusted by a managerial revaluation in 2019 (\$336,000). A 5 yearly valuation of Trust Land is due to be completed by the Valuer-General during 2020-21, in line with the FRD103H.

Buildings and plant and equipment were independently valued by Deloitte Touche Tohmatsu with effect to 1 July 2016 for the purpose of determining fair value for the initial accounting recognition by the Trust. Additions pertaining to Stage 4 assets (Brownlow Stand) have since been independently valued by WT Partnerships using depreciated replacement cost method with effect from 19 May 2017.

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 current replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2020. For all assets measured at fair value, the current use is considered the highest and best use.

All non-current physical assets are measured initially at cost and subsequently revalued at fair value using the depreciated replacement cost method.

There have been no changes to valuation methods in 2019-20.

7.3.3 RECONCILIATION OF LEVEL 3 FAIR VALUE

(\$ thousand)

2020	SPECIALISED LAND	SPECIALISED BUILDINGS	PLANT AND EQUIPMENT
Opening balance	7,056	143,471	10,157
Transfers in (out) of Level 3	494	266	370
Depreciation	-	(1,678)	(702)
Closing Balance	7,550	142,059	9,824

(\$ thousand)

2019	SPECIALISED LAND	SPECIALISED BUILDINGS	PLANT AND EQUIPMENT
Opening balance	6,720	145,110	10,622
Transfers in (out) of Level 3	336	34	209
Depreciation	-	(1,673)	(674)
Closing Balance	7,056	143,471	10,157

8. OTHER DISCLOSURES

This section provides additional material disclosures required by accounting standards or otherwise, for the understanding of the financial report.

8.1 EX GRATIA EXPENSES

Ex gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

(\$ thousand)

	2020	2019
Compensation for economic loss	19	-
Total ex gratia expenses	19	-

8.2 OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT

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

Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates; and
- reclassified amounts relating to available-for-sale financial instruments from the reserves to net result due to a disposal or derecognition of the financial instrument.

(\$ thousand)

	2020	2019
NET GAIN / (LOSS) ON NON FINANCIAL ASSETS		
Net gain / (loss) on disposal of property, plant and equipment	14	-
Total gain / (loss) on non financial assets	14	-
OTHER GAINS / (LOSSES) FROM OTHER ECONOMIC FLOWS		
Net gain / (loss) arising from revaluation of long service leave liability	(1)	(2)
Total gain / (loss) from other economic flows	(1)	(2)

8.3 RESERVES

(\$ thousand)

	2020	2019
PHYSICAL ASSET REVALUATION SURPLUS		
Balance at beginning of financial year	1,056	720
Revaluation increments / (decrements)	494	336
Balance at end of financial year	1,550	1,056

Physical asset revaluation surplus

The physical asset revaluation surplus is used to record increments and decrements on the revaluation of non current assets.

8.4. 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.

The persons who held the positions of Minister, Board Members and Accountable Officer of the Trust at any time during the reporting period were as follows:

RESPONSIBLE MINISTER	PERIOD		
The Honorable Martin Pakula, Minister for Racing, Minister for Jobs, Innovation and Trade, Minister for Tourism, Sport and Major Events	1 July 2019	to	30 June 2020
TRUST	PERIOD		
Mr Michael Malouf (Chair)	1 July 2019	to	30 June 2020
Ms Gillian Costa	1 July 2019	to	30 June 2020
Ms Elizabeth Mears	1 July 2019	to	30 June 2020
Mr Geoffrey Simmonds	1 July 2019	to	30 June 2020
Mr Joe Calafiore	1 July 2019	to	30 June 2020
Mr Rob Hulls	1 July 2019	to	30 June 2020
Ms Rebecca Casson	1 July 2019	to	21 March 2020
Ms Bernadette Uzelac	22 March 2020	to	30 June 2020
ACCOUNTABLE OFFICER	PERIOD		
Mr Gerard Griffin	01 July 2019	to	30 June 2020

Remuneration relating to the Ministers is included in the financial statements of the Department of Parliamentary Services. Remuneration for the Trustees and Accountable Officer are included below in the remuneration of responsible persons.

Remuneration of responsible persons

Total remuneration (including incentive payments) received or receivable by the Trustees and the Accountable Officer in connection with the management of the Trust during the 2019-20 reporting period was in the range of \$390,000 - \$399,000 (\$390,000 - \$399,000 in 2018-19)

REMUNERATION RANGE	2020	2019
0 - 9,999	3	4
10,000 - 19,999	4	4
20,000 - 29,999	1	2
30,000 - 39,999	-	-
40,000 - 49,999	-	1
230,000 - 239,000	-	1
310,000 - 319,000	1	-
Total	9	12
Total Remuneration of responsible persons (\$thousand)	392	395

8.5 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. Accordingly, remuneration is disclosed on an accrual basis 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.

(\$ thousand)

REMUNERATION OF EXECUTIVE OFFICERS	2020	2019
Short-term employee benefits	502	400
Post-employment benefits	49	34
Other long-term benefits	10	2
Total remuneration	561	436
Total number of executives	4	3
Total annualised employee equivalents	4	3

8.6 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.

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

Key management personnel of the Trust include the Portfolio Minister, Trustees and the Chief Executive Officer.

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.

(\$ thousand)

REMUNERATION OF KEY MANAGEMENT PERSONNEL	2020	2019
Short-term employee benefits	364	369
Post-employment benefits	28	27
Other long-term benefits	5	-
Termination benefits	-	-
Total remuneration	397	396

Related party transactions with key management personnel, cabinet ministers and their related parties, which occurred during the normal course of business, apart from remuneration disclosed in Notes 8.4, 8.5 and 8.6 are listed below:

(\$ thousand)

TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND OTHER RELATED PARTIES	2020	2019
Rebecca Casson is a Board Member of Development Victoria, whom the Trust has engaged for planning works for Stage 5 capital works, at the direction of the State Government	-	2,023
Total related party transactions	-	2,023

The Trust has prepared these related party disclosures for the year based on reasonable enquiries made by management in relation to the key management personnel and their related parties and the information available to the organisation, in line with IAS 24 and applicable financial reporting directions.

For information regarding related party transactions of ministers, the register of members' interests is publicly available from:

www.parliament.vic.gov.au/publications/register-of-interests

8.7 REMUNERATION OF AUDITORS

Audit fees payable to the Victorian Auditor General's Office (VAGO) for the audit of the Trust's financial report is set out below in the following table:

(\$ thousand)

	2020	2019
Victorian Auditor General's Audit of the financial report	21	22
Total	21	22

8.8 SUBSEQUENT EVENTS

There has not arisen in the interval between the end of the financial year and the date of signing these financial statements, any item, transactions or event of a material and unusual nature likely to affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust, in subsequent financial years.

8.9 OTHER ACCOUNTING POLICIES**Contributions by owners**

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Trust. Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Foreign currency transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction.

8.10 IMPACT OF ADOPTION OF AASB 16

The impact of adopting AASB 16 is described below:

The Trust as a lessee

Under AASB 117, the Trust assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Trust or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Trust has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Financial statement impact of adoption of AASB 16

The adoption of AASB 16 has not caused any material adjustment to the reported financial position, performance or cash flow of the Trust.

8.11 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE.

Certain new and revised accounting standards have been issued but are not effective for the 2019-20 reporting period. These accounting standards have not been applied to the Trust's Financial Statements. The Trust is reviewing its existing policies and assessing the potential implications of these accounting standards.

STANDARD/INTERPRETATION	SUMMARY	APPLICABLE FOR ANNUAL REPORTING PERIODS BEGINNING ON	IMPACT ON THE TRUST'S FINANCIAL STATEMENTS
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	This Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.	1-Jan-20	The Trust is in the process of analysing the impacts of this Standard. It is not anticipated to have a material impact.
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current"	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.	1-Jan-22	The Trust is in the process of analysing the impacts of this Standard. It is not anticipated to have a material impact.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on the Trust's reporting.

- AASB 17 Insurance Contracts.
- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
- AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business.
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework.
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform.
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia.
- AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.



Independent Auditor's Report

To the Trustees of the Kardinia Park Stadium Trust

Opinion	<p>I have audited the financial report of the Kardinia Park Stadium Trust (the trust) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2020 • 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 • board member's, accountable officer's and chief financial officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the trust as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
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>
Trustee's 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>

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees
- conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

MELBOURNE
3 September 2020



Simone Bohan
as delegate for the Auditor-General of Victoria

