

ANNUAL REPORT 2020-21

Expanding experiences
for our community





Acknowledgement of Country

We, Kardinia Park Stadium Trust, acknowledge the Traditional Owners of the land, the Wadawurrung people of the Kulin Nation. We pay our respects to the Elders past, present and emerging.

As a Statutory Authority of the State Government, The Kardinia Park Stadium Trust supports the respectful recognition of Aboriginal and Torres Strait Islander ownership and land stewardship of this iconic landmark of Geelong. Kardinia Park is on the Traditional lands of the Wadawurrung People.

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CHAIR REPORT

“THE TEAM CONTINUES TO SEEK IMPROVEMENT IN THEIR MANAGEMENT OF THE STADIUM TO ENSURE THAT THE STADIUM IS RECOGNISED AS THE NATION’S BEST REGIONAL STADIUM.”

In accordance with the *Financial Management Act 1994*, it is with much pleasure that the Trustees present the Annual Report for Kardinia Park Stadium for the year ending 30 June 2021.

The challenges presented by COVID-19 made the year a difficult one for the hosting of the normal events calendar. This reduced event schedule put the stadium’s tenants and their codes in very testing situations. As such, rent relief was provided to our tenants and the Trust is appreciative of the State Government’s funding of this initiative.

The impact on everyone was substantial – working from home as one example – with the uncertainty of event scheduling, preparation and reduced income adding to the severity of the position. The Trustees give full credit to the stadium management and workforce for their flexible, innovative and dedicated approach in this exacting environment.

A major focus for the Trust has been the Stage 5 building project. This \$142M project commences in late September 2021 for approximately 19 months and will complete the stadium’s redevelopment providing the community with what will ensure we remain Australia’s best regional stadium. A strong band of project specialists, advisers and consultants, together with the State Government’s personnel, have made a solid

contribution to bringing this project into reality. A Project Steering Committee comprising Geelong Football Club (Brian Cook), Cricket Australia (Brett Wood), Sport and Recreation Victoria (Peter Betson) and the Department of Treasury and Finance (Ruth Leach) chaired by me, as the Kardinia Park Stadium Trust’s Chair, assumes the lead responsibility for this project. Currently, tender evaluation is underway with an announcement to be made shortly.

This project has been sponsored through the Minister for Tourism, Sport and Major Events, the Hon. Martin Pakula, and the Trust is most grateful for the ongoing support of the region’s key sporting facility. The benefits for the users and the wider community will become evident when the Stage 5 Redevelopment concludes in early 2023.

In my first year as Chair, I have been impressed by the Trustees’ positive approach to their responsibilities including the oversight of the stadium’s management team. The team is well led by Chief Executive Officer, Gerard Griffin, and we acknowledge their efforts during this stressful year. The team continues to seek improvement in their management of the stadium to ensure that the stadium is recognised as the nation’s best regional stadium. The CEO’s report will provide a comprehensive account of the detail across the Trust’s activities for the 2020-21 year.



A29

Over the past year several changes to the composition of the Trust have occurred and the Trust wishes to recognise the contribution of the retiring Trustee, foundation member Libby Mears. Clare Amies was then appointed to the vacancy created by Libby's resignation. During the year, both Joe Calafiore and Dan Simmonds were reappointed as Trustees for a further three years.

We also acknowledge the changes at the Geelong Football Club with both President Colin Carter and CEO, Brian Cook being replaced by Craig Drummond and Steve Hocking respectively. We acknowledge the service tendered by both Colin and Brian and welcome Craig and Steve into their new roles. The Trust will work closely with Craig and Steve as we continue with the Stage 5 Development project.

The Trustees would like to extend their thanks to The Minister for Tourism, Sport and Major Events, the Hon Martin Pakula, together with the Department's Associate Deputy Secretary for Sport, Recreation & Racing, Peter Betson for their continued support of the Kardinia Park Stadium Trust.



Stephen Gough
Chair

PURPOSE & FUNCTIONS

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. In February 2021, by Order of Governor in Council, an additional parcel of land, 7.4 hectares to the north was specified as Kardinia Park Trust Land. This will facilitate the Stage 5 stadium redevelopment.

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.

THE PURPOSE OF THE TRUST IS:

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.

As defined in the Kardinia Park Stadium Act 2016 (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.

OUR VISION, MISSION & VALUES



OUR VISION

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

OUR MISSION

**TO EVOLVE, EXPAND
AND ENHANCE PEOPLE'S
EXPERIENCES**

OUR VALUES

COURAGE

BE BOLD, BE YOURSELF
AND REACH BEYOND BOUNDARIES

ACCOUNTABILITY

OWN YOUR PROCESS AND
STAND BY YOUR OUTCOME

INTEGRITY

BE AUTHENTIC AND HAVE BEST
INTENTIONS FOR THE TRUST

EQUITY

LEARN AND UNDERSTAND FROM EACH
OTHER AND CREATE OPPORTUNITIES

CARE

BE GENUINE IN YOUR APPROACH, SHOW
COMPASSION AND TRUST IN ALL THAT YOU DO

COLLABORATION

SEEK DIVERSE INPUT TO
REACH THE COMMON GOAL

CEO REPORT

“GIVEN THE MANY CHALLENGES WE FACED AS AN ORGANISATION DURING THE 2020-21 FINANCIAL YEAR I AM PROUD OF WHAT WE WERE ABLE TO ACHIEVE AND AM CONFIDENT THAT WE HAVE A STRONG AND AGILE BUSINESS THAT IS READY TO ADAPT TO WHATEVER THE SITUATION REQUIRES.”

While needing to carefully operate throughout the COVID-19 pandemic, in financial year 2020-21 Kardinia Park Stadium Trust was able to continue its growth and progression as a stadium manager and community-connected business. The Trust is still relatively young, having come into inception on 1 October 2016, and while there was significant event disruption throughout the year, the Trust used this period to strengthen its foundations and grow in the areas that were not tied to event planning and delivery. The Trust would like to acknowledge and thank the support of the State Government of Victoria for its financial assistance throughout the reporting period.

In managing COVID-19, the State Government through the Trust was able to support its tenants by offering rent relief for the calendar year. The following organisations were recipients of this relief:

Geelong Football Club, Barwon Sports Academy, AIS (Combat), Football Victoria, Basketball Country Vic, Cricket Victoria, Leisure Networks, Golf Australia, Geelong Cricket Association and Western United Football Club.

EVENTS

We were able to host four AFLW home and away matches in early 2021 as well as six AFL men's home and away games prior to the close of this reporting period. As part of supporting the AFL men's competition, the Trust was thrilled to complete a negotiation to host the first ever neutral game at the stadium (Sydney Swans versus West Coast Eagles). The Trust would like to acknowledge the support of the Geelong Football Club (GFC) to enable this to occur. Unfortunately, from 21 March 2020 we were unable to host AFL home and away men's football due to the pandemic. During this time the Trust continued to document and update its 'return to train' and 'return to play' procedures in order to support the GFC's use of the venue in and out of lockdowns and periods of restriction. In December, we were able to host Western United Football Club versus Adelaide United Football Club to open the new A-League season. We were to host four Western United home matches originally, however, a COVID-19 lockdown in Victoria prevented us from hosting the third and fourth match. The Trust made a number of adjustments to the venue in order to be approved to host professional sport during the COVID-19 pandemic. These included adjustments to ticketing layouts, grandstand zones, QR-code entry procedures as well as cleaning procedures both pre, during and post games.

Concerning the future of cricket at the stadium, while we were not the recipient of any games in the 2020-21 financial year, the Trust was able to successfully negotiate with Visit Victoria and the Local Organising Committee for six matches of the ICC T20 tournament to occur in 2022 alongside the Stage 5 Redevelopment.

In May 2021 we were asked to host the State Memorial Service for past GFC President, Mr Frank Costa AO. The service was attended by the Acting Premier, Mr James Merlino, the AFL Chair, Richard Goyder, AFL CEO, Gil McLachlan and many other important guests.

CAPITAL WORKS

Separate to the Stage 5 Redevelopment, The Trust was a fortunate recipient of \$10.5M to undertake a capital works stimulus package. This package will consist of several sizeable capital works projects occurring over the next two financial years. These projects include:

- Conversion of Light Towers to LED lighting
- High Voltage Ring Main
- CCTV and Access Control System Upgrade
- Hickey Stand Sprinkler Upgrade
- Stadium Accessibility Upgrade
- Building Management System Upgrade
- Asphalting of A3 Carpark
- Stadia Media and Customer Experience Project

In this first financial year of the package, the majority of time and money went into scope development and tendering, however, one of the most significant works was the installation of a High Voltage Ring Main between the two main switchboards at the stadium thus completing our power continuity strategy. A second project from that package well underway was the upgrade of the stadium's CCTV and Access Control System. We were pleased to receive a second tranche of funds to fund a COVID-19 technology project and thus a second phase of work will be occurring to the software that aids COVID-19 contact tracing. Finally, the Stadia Media and Customer Experience Project commenced its journey with the implementation of new Arena LED ribbons boards as well as concourse kiosks and public WiFi. This technology was incredibly valuable for the relaying of safety messaging and customer information relating to COVID-19 matters as experienced at the Geelong versus Brisbane and Geelong versus West Coast AFL matches when the Department of Health directed us to invoke messaging pertinent to COVID-19 outbreaks occurring in areas of the away teams.

STAGE 5 REDEVELOPMENT

At the close of this financial year, the Trust is pleased to advise that the Stage 5 Redevelopment project team was conducting the tender for the main works contractor with commencement on-site due in early September 2022. The Trust would like to thank the State Government for the confirmation of additional funding for the project that is now budgeted and funded to \$142M and will deliver by the end of April 2023:

- A new 14,000 occupancy capacity two-tier northern stand to replace the ageing Ford Stand and Ablett Terrace and increase the stadium occupancy capacity to 40,000
- A new northern entry plaza for patrons
- New unisex change rooms and facilities
- Replacement of existing Geelong Cricket Club facilities
- A sports museum
- New media facilities for cricket

In early July 2020, the enabling works contractor was appointed by the Project Steering Committee for Stage 5 and Delta Works were underway at preparing the site in readiness for the main works contractor to take over and commence demolition and construction in early September 2021.

In preparing for the redevelopment, as approved by the Governor in Council, we were granted the management of the crown land at the northern end of Kardinia Park, where the new entry plaza will be built. The land management transferred from the City of Greater Geelong to be specified as Kardinia Park Trust Land.

GFC LEASE

The Trust was able to partake in detailed negotiations with the GFC on the update of its lease with the landlord (now the Trust, formerly the City of Greater Geelong) and as we close one year and open the next, the task is now to complete the legal drafting to match those negotiations. Meanwhile, negotiations progressed with the AFL on a new ground occupancy agreement (GOA) with a decision reached that given the symmetry with the GFC Lease, it is appropriate for the AFL GOA to become a tripartite document. We look forward to concluding both processes shortly.

BUSINESS IMPROVEMENT

A significant amount of work was undertaken in the area of business improvement and some of the more notable examples of this included:

- Contract management
- Documented Testing and Testing program for its business resilience plans
- Continued conversion of contractors inherited from City of Greater Geelong onto Trust service level agreements
- New website with easy navigation and interactive Stadium Map
- Review of Corporate IT and Stadium IT with recommendations to follow.

PEOPLE AND CULTURE

In the area of People and Culture, much effort was channelled into the drafting and delivery of a mental health strategy, the drafting and implementation of a remuneration framework for all staff underneath the role of Chief Executive and the surveying and creation of a Learning and Development strategy for all staff at organisational, departmental and individual levels.

As part of improving the Trust's customer service, we were able to commence a Customer Service Program for all full-time staff that will evolve out to all casual staff of the Trust over the coming year. Pleasingly in October 2020, the Trust received the award for Best Customer Service from The Geelong Business Excellence Awards. This is the first significant award for the Trust since its inception and a statement on the improvements being made at the stadium.

COMMUNITY CONTRIBUTION

Kardinia Park Stadium Trust is acutely aware of being an ethical business which contributes to society. The most significant contribution the Trust can give is access to, and a quality experience at Australia's Best Regional Stadium as a place for people to work, play and connect. To ensure we achieve our goals in this space we have developed an Ethical Framework to ensure we inform our decision-making process with this focus.

Focus areas considered relevant for our Ethical Framework are:

- Corporate Responsibility
- Environmental Sustainability
- Community Engagement and Participation
- Diversity and Inclusion.

The development of an Ethical Framework and its implementation is also embedded in the KPST Strategic Plan 2019-23 and complements both the Stadium Act and the State Government's Statement of Expectations. This particularly relates to public ownership of the stadium and the provision of facilities for both sporting and community use.

We have undertaken significant work in this space with the drafting of our diversity and inclusion plan; the highlight being the development of a Reconciliation Action Plan. The Trust was pleased to commission and receive the artwork by indigenous artist Deanne Gibson that is proudly displayed in the reception area of its offices. As part of acknowledging and recording the connection of the community to the park and stadium, the Trust commissioned the Kardinia Park Chronicles; a series of videos that highlighted the connections of the people and their sporting groups. This included the Geelong Cricket Club, the Wadawurrung Traditional Owners, Geelong Central Netball Association, Geelong Football Club and patrons who have attended the venue over many years.

Also, in the areas of community connection we completed a Kardinia Park Master Plan Planning Framework and an Environmental Sustainability Strategy. Regarding the Kardinia Park Master Plan, we consulted with numerous stakeholders, taking on their feedback for the future of the precinct. We created a planning framework which outlined this vision for the park, which was handed on to the City of Greater Geelong to oversee its conversion into a Kardinia Park Master Plan. The Trust's inaugural Environmental Sustainability Plan was developed based on a set of environmental sustainability targets about energy, waste, water and transport. The targets were developed in consultation with key stadium stakeholders and broadly align with the goals of the Victorian State Government and the United Nations Sustainable Development Goals program. A practical approach to environmental sustainability will be taken that considers the Trust's social responsibility, vision, capacity and ability to drive change.

CONCLUSION

Given the many challenges we faced as an organisation during the 2020-21 financial year I am proud of what we were able to achieve and am confident that we have a strong and agile business that is ready to adapt to whatever the situation requires.

I wish to thank the Department of Jobs, Precincts and Regions and Sport and Recreation Victoria for entrusting such a valuable community asset to our management. Finally, thank you to the Geelong community for your shared passion for this venue as we look forward to welcoming you back to the stadium in the new financial year.



A handwritten signature in black ink, appearing to read 'Gerard Griffin'.

Gerard Griffin
Chief Executive Officer



CONTINUING TO CONTRIBUTE TO OUR COMMUNITY

TOTAL ECONOMIC CONTRIBUTION



\$62.3_M



**JOBS FOR OUR
COMMUNITY**

472_{JOBS}



**VALUE ADDED TO
THE STATE ECONOMY**

\$56.3_M

“THE MOST SIGNIFICANT CONTRIBUTION THE TRUST CAN GIVE IS ACCESS TO, AND A QUALITY EXPERIENCE AT AUSTRALIA’S BEST REGIONAL STADIUM AS A PLACE FOR PEOPLE TO WORK, PLAY AND CONNECT.”

Gerard Griffin
Chief Executive Officer

DIRECT ECONOMIC CONTRIBUTION



**SPORT SECTOR &
COMMUNITY SAVINGS**

\$4.7_M



**HEALTH &
WELLBEING BENEFITS**

\$0.4_M



**AVOIDED HEALTHCARE COSTS FOR
PHYSICALLY INACTIVE PARTICIPANTS**

\$0.8_M



**TOTAL GROSS REVENUE ADDED
FROM VENUE EXPENDITURE**

\$56.3_M

EVENTS HELD 2020-21



EVENTS CANCELLED DUE TO COVID-19



EVENT TOTAL ATTENDANCES



AFL
MATCH DAY ATTENDANCE

103,513

AFLW
MATCH DAY ATTENDANCE

7,617

VFL
MATCH DAY ATTENDANCE*

243

AFL UNDER 17
NATIONAL CHAMPIONSHIPS

489

VFLW
MATCH DAY ATTENDANCE*

—

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



A-LEAGUE
ATTENDANCE

9,259



COMMUNITY
EVENTS

2,373

TOTAL
ATTENDANCE

123,494

RUN
GEELONG
1 EVENT

A-LEAGUE
WESTERN UNITED
3 EVENTS

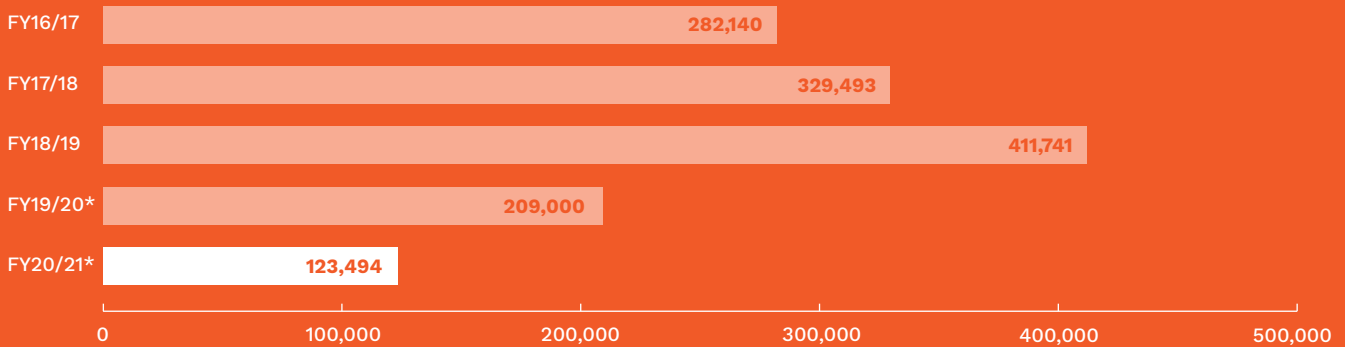
SACRED HEART GEELONG
MAGUIRE AWARDS
1 EVENT

2020-21
TOTAL
17 EVENTS

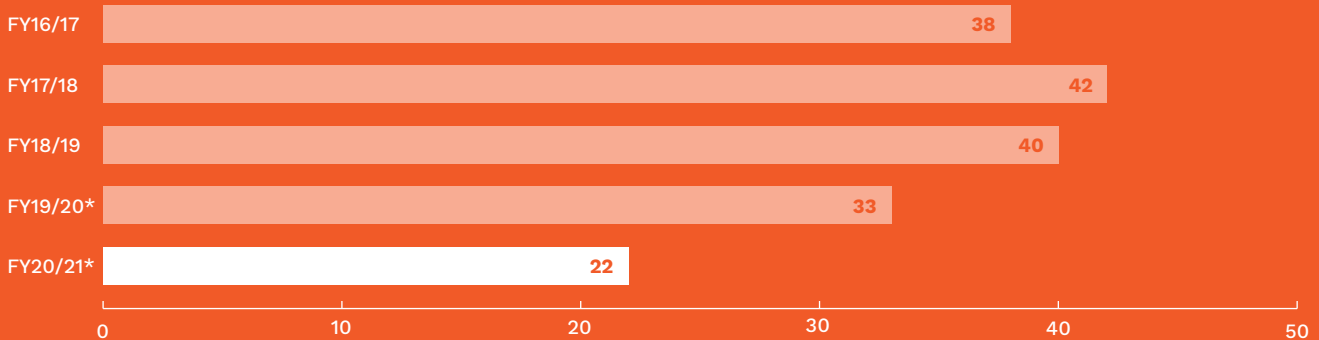
EVENTS POSTPONED
DUE TO COVID-19

ICC MEN'S
T20 WORLD CUP
3 EVENTS

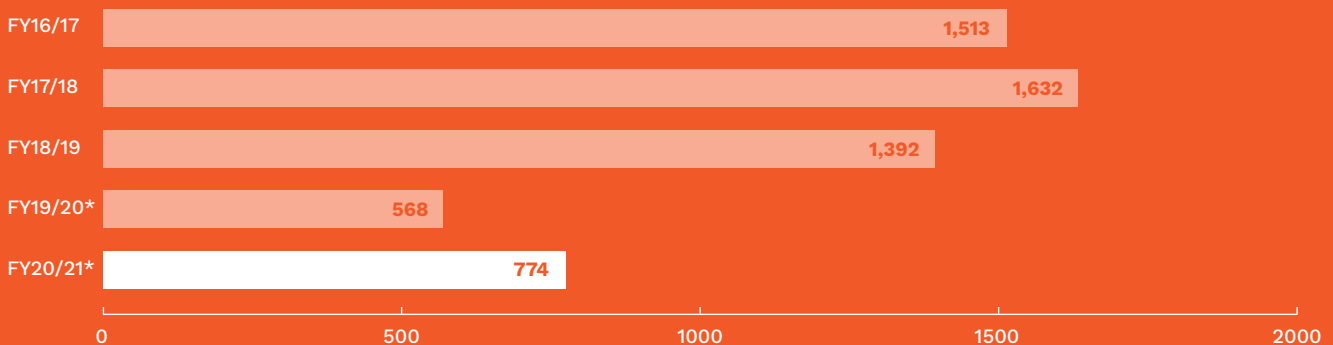
TOTAL ATTENDANCES



NUMBER OF CONTRACTED EVENT DAYS



TOTAL GROUND USAGE HOURS



OUR PARTNERS



TENANTS

BARWON SPORTS ACADEMY
BASKETBALL VICTORIA
CRICKET VICTORIA
FOOTBALL VICTORIA
GEELONG CRICKET ASSOCIATION
GEELONG FOOTBALL CLUB
GOLF AUSTRALIA
AIS COMBAT
LEISURE NETWORKS

BUSINESS PARTNERS

MA SERVICES
BOSS SECURITY
GREEN OPTIONS
QUAYCLEAN
VISIT VICTORIA
ICC WT20 LOCAL ORGANISING
COMMITTEE
TLA WORLDWIDE
TICKETMASTER
BLUESTAR SECURITY SERVICES
VENUEOPS

REGULAR HIRERS

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

YEAR IN REVIEW

Each year in accordance with Section 21 of the Kardinia Park Stadium Act, the Trust submits a forward year Business Plan to the Minister for endorsement. This business plan details and captures the key projects that the Trust will undertake and deliver for the upcoming year. Through business planning days and as directed by the Minister's Statement of Expectations (SOE), the Trust has identified four Strategic Initiatives with associated actions for the year that we believe will achieve competitive advantage and ensure customer relevance by complementing the objectives of the SOE.

The projects for FY2020-21 under the four initiatives and supported by the Operational budget were as follows:

1. DRIVING CONNECTION WITH THE FANS AND EACH OTHER

THE MEANS BY WHICH WE "CONNECT" WITH OURSELVES AS VENUE MANAGERS AND WITH STADIUM CUSTOMERS, LARGELY FROM A DIGITAL PERSPECTIVE

- Developed an approach and commenced the update of our wayfinding approach (stage 2)
- Implemented digital assets under our Connected Stadium Strategy funded by the Economic Stimulus Funding.

2. PROVIDING UNIQUE OFFERS TO THE FANS

WHAT WE OFFER THE CUSTOMER FROM A PRODUCT AND SERVICE PERSPECTIVE THAT IS UNIQUELY KPST

- Reviewed our customer service approach inside the stadium (inward/outward) and implemented a program for all our providers (stage 1)
- Reviewed, started to write, and commenced implementation of a "Golden Mile" strategy through exploring partnerships with the City of Greater Geelong and Geelong Tech School.
- Reviewed our offers to all demographics and introduced offers where possible. Small wins are being realised through the results of a Mystery Customer Research Program conducted late 2019. Subsequent installation of customer service program/training, smart kiosks and an interactive stadium map.

3. SAFEGUARDING OUR ASSET AND RENEWING THE ENVIRONMENT

FOCUSED ON THE PRECINCT, THE ASSET AND HOW WE CONTRIBUTE TO THE RENEWAL AND IMPROVEMENT OF THE REGION

- Continued planning and design of the Stage 5 Redevelopment, ready for commencement
- Finalised and commenced implementation of an ESD strategy considering: Water, Energy, Transport and Waste (stage 1)
- Commenced the delivery of our key Capital Works Program including the State Government Economic Stimulus Package (\$10.5M)
- Continued the implementation of Power Supply and Resilience plan through the delivery of various completed UPS projects and a HV Ring Main project.
- Implemented a CORE Security regime and tendered our Event Security Services.
- Implemented a strategy for improving Safety, Security and Emergency Management through an overhaul of our Safety Management System. The Trust has been successful in obtaining its ISO AS/NZ 45001 Certification. Stadium-wide CCTV and Access Control improvements have been rolled out and continue to be implemented.
- Integrated a new Building Management System. This project is to be completed in FY2021-22.
- Delivered an Asset Management plan incorporating the Asset management Accountability Framework.

4. STRENGTHENING OUR REALTIONSHPIS AND DEVELOPING OUR BRAND

OUR ABILITY TO PARTNER, AS WELL AS GROW OUR BRAND AND REPUTATION

- Undertaken a range of content and code negotiations throughout the year.
- Worked towards the near completion of the GFC lease agreement for ministerial approval that will reflect the use and areas of the stadium.
- Laid the groundwork for the implementation of a Stakeholder Management Plan which will cover all components of communication.
- Continued the implementation of our Community and Social Responsibility Program (Ethical Framework). Key focus areas of the various Pillars for this year were our Diversity and Inclusion strategy and the endorsement of our first Reconciliation Action Plan (RAP).

STATEMENT OF EXPECTATIONS

EXPECTATION	OUTCOME
1. GFC LEASE	The Trust is nearing the finalisation of a new lease with the GFC for ministerial approval, it will reflect the use and areas of the stadium.
2. BUSINESS RESILIENCE FRAMEWORK	The Trust has implemented a <i>Business Resilience Framework</i> including Disaster Recovery and Business Continuity policies and procedures, formed a Business Resilience Steering Committee with a testing and training calendar.
3. CORPORATE GOVERNANCE	In carrying out the purpose and functions of the Trust as outlined in the <i>Kardinia Park Stadium Trust Act 2016</i> , the Trust applies the principles of good governance as spelt out in the DJPR Guide to <i>Good Governance and Portfolio Performance - October 2019</i> . This guide is referred to throughout the business and the Internal Audit confirmed compliance to high degree.
4. ALIGNMENT WITH GOVERNMENT'S ACTIVE VICTORIA FRAMEWORK	In consultation with Sport and Recreation Victoria (SRV), the Trust will look for partnership opportunities to incorporate, where possible, the strategic directions outlined in Active Victoria – A strategic framework for sport and recreation in Victoria.
5. ECONOMIC IMPACT AND BENEFITS STUDY	This study has been completed.
6. TRUST PROCESS AND PERFORMANCE	Board members annually review performance as part of board practice, as a collective and individual (including the Chair). The Chair with the remuneration committee undertook a performance review of the Chief Executive Officer.
7. PEOPLE MATTER SURVEY	All employees were given the option to participate in the Victorian Public Sector Commission's 2021 People Matter Survey
8. DIVERSITY AND INCLUSION PLAN	The Trust has developed a Diversity and Inclusion Plan to achieve employment outcomes for people with a disability or from culturally diverse backgrounds (including Indigenous Australians), while considering gender equity. The Trust launched REFLECT, its first reconciliation action plan.
9. ENVIRONMENTAL SUSTAINABILITY PLAN	The Trust's <i>Environmental Sustainability Plan</i> that aligns with the Victorian Government carbon emissions 2050 targets, was endorsed by Trustees during the year with various stages to be implemented.
10. CORPORATE AND ASSET MANAGEMENT PLANNING	Management has actively collaborated with relevant Department of Jobs, Precincts and Regions (DJPR) program areas during the year when developing a Corporate Plan and Asset Management Framework that aligns with DJPR guidelines and templates. The Trustees have welcomed the attendance of the Associate Deputy Secretary for Sport, Recreation & Racing to Trust board meetings.

ETHICAL FRAMEWORK

“IT’S JUST THE RIGHT THING TO DO”

Attending to its community and social responsibility is understood by the Kardinia Park Stadium Trust as being an ethical business which contributes to society beyond its core business and profit outcomes. The most significant contribution the Trust can give is access to, and a quality experience at Australia’s Best Regional Stadium as a place for people to work, play and connect.

THE BIGGER PICTURE

The pillars for the Trust’s Ethical Framework have been informed by the 17 United Nations Sustainable Development Goals and the quadruple bottom-line for Community Wellbeing:

- economic prosperity
- environmental sustainability
- social equity
- cultural vitality

The development of an Ethical Framework and its implementation is also embedded in the KPST Strategic Plan 2019-23 and complements both the Stadium Act and the State Government’s Statement of Expectations. This particularly relates to public ownership of the stadium and the provision of facilities for both sporting and community use.

IT’S THE RIGHT THING TO DO. THE WHY

We at KPST believe that giving back to the community and reducing the environmental impact of the stadium is the right thing to do as a business:

- Because the stadium belongs to the community;
To enhance the KPST brand and reputation; and
- To ensure the stadium and events remain relevant and sustainable

ETHICAL FRAMEWORK PILLARS

Focus areas considered relevant for KPST’s Ethical Framework are explained below:

CORPORATE RESPONSIBILITY



Safeguarding public investment and ensuring transparent and ethical business practices

ENVIRONMENTAL SUSTAINABILITY



Considering materials used, procurement, energy, water, waste, transport, recycling, and emissions

COMMUNITY ENGAGEMENT



Keeping the community informed and engaged, listening to what the community wants for and from the stadium

COMMUNITY PARTICIPATION



Safeguarding public investment and ensuring transparent and ethical business practices

DIVERSITY & INCLUSION



Allowing the community to connect and participate through a broad range of events and activities within a world class facility

REPORT OF OPERATIONS

Budget Portfolio Outcomes – 5-year comparison

(\$ thousand)

DEPARTMENTAL FIVE-YEAR FINANCIAL SUMMARY	2021	2020	2019	2018	2017
Income from Government	5,064	5,730	4,890	4,470	4,432
Total income from transactions	868	1,166	1,749	1,224	1,347
Total expenses from transactions	(7,916)	(8,266)	(7,941)	(6,325)	(5,279)
Net result from transactions	(1,984)	(1,370)	(1,302)	(631)	500
Net result for the period	(7,874)	(1,357)	(1,304)	(634)	431
Net cash flow from operating activities	377	1,250	2,489	1,304	1,339
Total Assets	181,665	170,204	169,388	171,453	166,015
Total liabilities	3,187	975	1,328	2,425	842

(a) Income from government includes both output and special appropriations.

(b) The 'net result from transactions' is identical to the 'net operating balance' for the general government sector.

FINANCIAL PERFORMANCE

Operating

For the Financial year ended 30 June 2021 the Trust finished with a net deficit position from total transactions of \$1.984 million, realised after depreciation is taken into consideration.

The operating result is primarily relating to 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. 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 \$4.73 million and \$275k of COVID-19 technology funding.

Balance Sheet

Liabilities as at 30 June 2021 increased due to timing of payments due to suppliers and the overall size of amounts falling due as a result of significant capital works taking place. 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. The Trust is grateful for the Capital Building Works Package funding received during the year and with most of the projects now scoped and still in progress (value \$10.85 million), for which funding has been committed during the year.

CAPITAL PROJECTS

During the 2020/21 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 Trust is thankful for the funding received from the State Government in the form of Economic Stimulus funding for a building works package to the value of \$10.5M over two years (2020/21-2021/22). This funding has seen the following projects either commenced or completed:

- CCTV System update – completed supply and installation of new CCTV cameras and additional storage servers.
- Access Control System Upgrade – completed upgrade access control system across the stadium.
- Hickey Stand Sprinkler System Relocation – modification works relocating sprinklers heads, cable trays and services.
- Stadium Accessibility Improvements – commencement of the provision of accessibility improvements, including handrails for Hickey Stand Level 1, dedicated ambulant seating throughout the stadium, hearing loops throughout the stadium and wayfinding improvements.
- Hickey Stand BMS upgrade – commenced the provision of BMS Controls to the Hickey Stand HVAC.
- HV Ring Main upgrade – near completion.
- LED Light Towers and Infill Lighting Upgrade – commenced the procurement process.
- Changing Places Remedial Works – commenced remedial works for Changing Place accreditation, including rectification of nominated compliance issues noted in Equal Access Report.
- Re-surface A3 Car Park.
- Lift Upgrades to Players and Premiership Stands to Meet Compliance Standards – completed.
- Chemical Storage Units – completed implementation of compliant chemical storage units around the stadium, in accordance with compliance standards and regulations
- Stadium Media and Customer Experience Project – commenced installation of 10-14 connected smart panels, up to 40 smart screens, a hi-tech welcome gate (Gate 13) and a large format video board at the rear of the Players Stand.
- Cladding Rectification Works – completed changes to the Hickey Stand awning. Finalising a position on the remainder of Hickey Stand.



GOVERNANCE

Minister

The responsible Minister for the period 1 July 2020 – 30 June 2021 was the Hon. Martin Pakula, Minister for Racing, Minister for Jobs, Innovation and Trade, Minister for Tourism, Sport and Major Events.

Trustees

In carrying out the purpose and functions of the Trust as outlined in the Act the Trust is governed by a group of Trustees and consists of a:

Chairperson, Mr Stephen Gough, and the following members:

- Ms Clare Amies (from February 2021)
- Mr Joe Calafiore
- Ms Elizabeth Mears (to October 2020)
- Ms Gillian Costa
- Mr Dan Simmonds
- Mr Rob Hulls
- Ms Bernadette Uzelac

Each year the Trustees review board practice as a collective and individually by self-assessment, led by the Chair. An independent assessment will be conducted at least once every three years.

FINANCE AUDIT AND RISK (FAR) COMMITTEE

The main responsibilities of the FAR Committee 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 FAR Committee meets bi-monthly and makes recommendations to the Trust on specific issues.

The FAR Committee consists of the following members independent from Management:

- Mr Joe Calafiore – Chair
- Ms Elizabeth Mears – Trustee (to October 2020)
- Ms Clare Amies – Trustee (from February 2021)
- Mr Tony Ficca – Independent Member

REMUNERATION COMMITTEE

The Committee focusses on determining the Trust's CEO Key Performance Indicators, and assessing these, as well as providing an overall perspective on salaries and wages in the wider business.

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

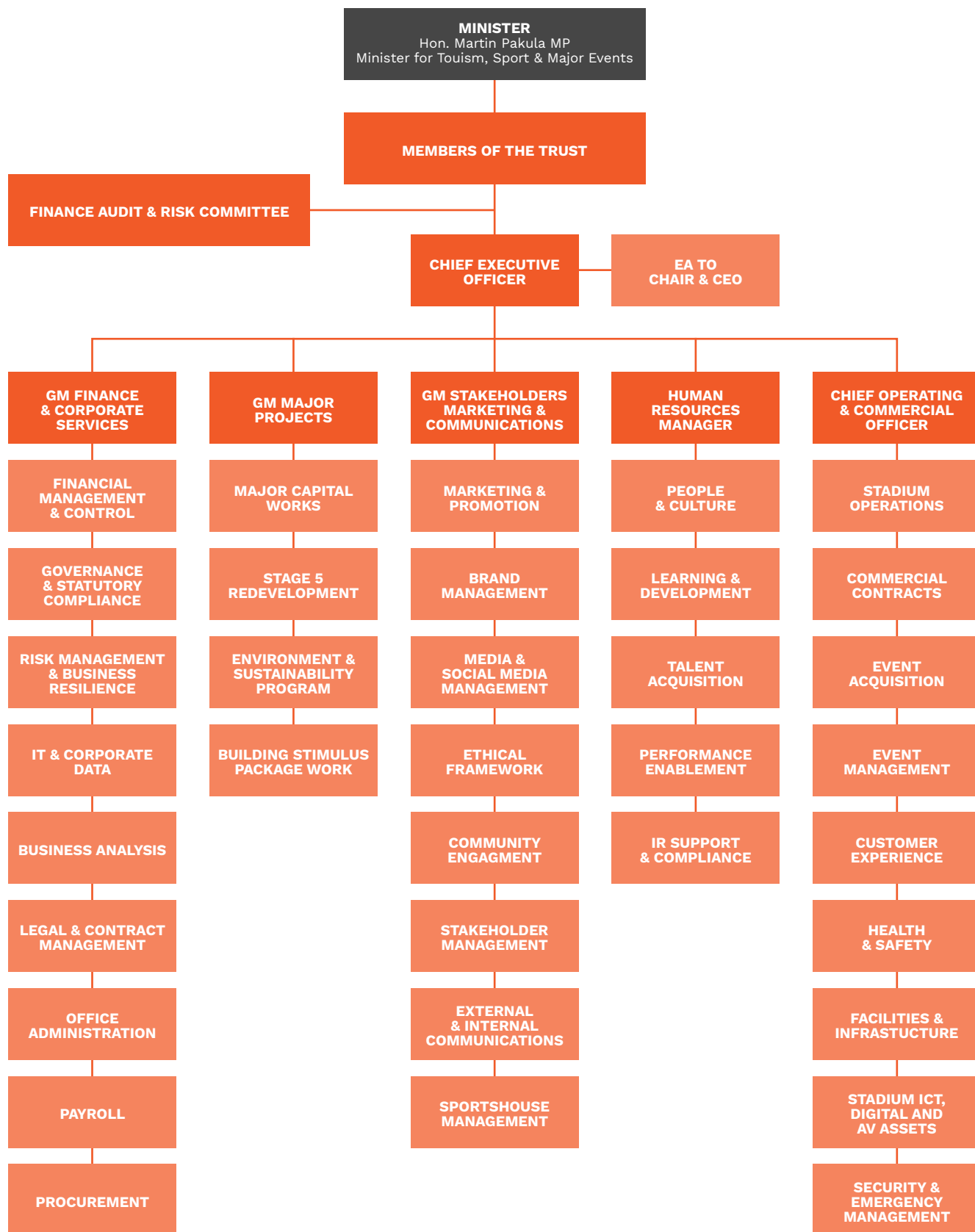
The Remuneration Committee consists of:

- Ms Gillian Costa – Chair
- Ms Elizabeth Mears – Trustee (to October 2020)
- Mr Rob Hulls – Trustee
- Mr Joe Calafiore – Trustee (from October 2020)

EXECUTIVE TEAM

- Chief Executive Officer and Accountable Officer
Mr Gerard Griffin
- Chief Operating and Commercial Officer
Ms Natalie Valentine
- General Manager Finance and Corporate Services and Chief Financial Officer
Ms Daphne Henderson
- General Manager Stakeholders, Marketing and Communication
Ms Kim Forbes
- General Manager Major Projects
Mr Ben Scott
- Human Resources Manager
Ms Veselina Kostadinov
- Executive Assistant to CEO and Chair
Ms Suze Mackenzie

GOVERNANCE



OTHER DISCLOSURES AND COMPLIANCE

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

MEASURE	KPI	2019-2020	2020-2021
INCIDENTS	No. of incidents	20	4
	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	-	-
OHS MEETINGS	no of OHS meeting held during year	6	8

OTHER DISCLOSURES AND COMPLIANCE

EMPLOYMENT AND CONDUCT PRICIPLES

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 Remuneration Framework, implementation of a Learning and Development Framework, a People Strategy 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. Further to this the Trust drafted and implemented a Mental Health strategy which sets out the Trust's intent to promote and protect the mental health and wellbeing of our employees.

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 2021 was 34.

Comparative workforce data:

2021	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
GENDER							
Male	18	9.95	7	0	7	11	2.95
Female	16	9.22	7	2	8.6	7	0.62
Self-Described							
AGE							
15-24	8		1	1		6	
25-34	6		3	0		3	
35-44	6		5	1		0	
45-54	10		5	0		5	
55-64	3		0	0		3	
65+	1		0	0		1	
Total employees	34		14	2	15.6	18	
Executives	1	1	1		1		

OTHER DISCLOSURES AND COMPLIANCE

2020	ALL EMPLOYEES		ONGOING			FIXED TERM AND CASUAL	
	NUMBER (HEADCOUNT)	FTE	FULL-TIME (HEADCOUNT)	PART-TIME (HEADCOUNT)	FTE	NUMBER (HEADCOUNT)	FTE
GENDER							
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		

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 \$20 million or more.

Project Continued – Local Jobs First -Strategic

During 2020-21, the Trust continues with one Local Jobs First Strategic Project valued at \$141.238M. The project is based in regional Victoria representing 100 per cent of estimated local content.

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

- A 100% of local content outcome was recorded;
- four 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 2020-21 financial year.

OTHER DISCLOSURES AND COMPLIANCE

CONSULTANCY SERVICES

Details of consultancies of >\$10,000

	PURPOSE OF CONSULTANCY	EXPENDITURE 2020-21
Populous	Architectural Design	4,271
Waypoint	Sports Facility Advisory	514
Duo Projects	Project management	348
WTP Australia Pty Limited	Quantity Surveyors	343
International Resilience Group Pty Ltd.	Safety and Security Management	82
Accuraco Pty Ltd	Project Management Services	75
Ernst & Young	Advisory Services	61
GHD Pty Ltd	Engineering and Architectural Services	45
Kinetica	Planning and Urban Design	43
Daly Consult Pty Ltd	Project Management and Construction Services	43
SIP Management Consultants	Construction Services	35
Patash	Project Management and Construction Services	33
Horsburgh Consulting Services Pty Ltd.	Contract Management and Business Continuity	23
Urbis Pty Ltd	Planning and Urban Design	23
Landell Corporation Pty Ltd	Procurement services	21
PSA Project Consulting Pty Ltd	Programme Management & Master Planning	17
Management System Works Pty Ltd.	OHS Services	14

Details of consultancies under \$10 000

In 2020-21, there were 8 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10 000. The total expenditure incurred during 2020-21 in relation to these consultancies was \$0.062 million.

ICT Expenditure

For the 2020-21 reporting period, the Trust had a total ICT expenditure of \$3,246,081 with the details shown below.

(\$ thousand)

ALL OPERATIONAL ICT EXPENDITURE BUSINESS AS USUAL (BAU) ICT EXPENDITURE	ICT EXPENDITURE RELATED TO PROJECTS TO CREATE OR ENHANCE ICT CAPABILITIES		
	NON-BUSINESS	OPERATIONAL EXPENDITURE	CAPITAL \$'000
(Total)	(Total = Operational expenditure		
193	3,053	113	2,940

OTHER DISCLOSURES AND COMPLIANCE

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.

DISCLOSURE OF MAJOR CONTRACTS

With the exception of the contract referred to below, the Trust has disclosed, in accordance with the requirements of government policy and accompanying guidelines, all contracts greater than \$10 million in value entered into during the financial year ended 30 June 2021. Details of contracts that have been disclosed in the Victorian Government Contracts Publishing System can be viewed at: www.tenders.vic.gov.au.

Contractual details have not been disclosed for contracts where disclosure is exempted under the *Freedom of Information Act 1982 (the Act)* and/or government guidelines.

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 2021, 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.

During 2020-21 the Trust received nil requests.

STATEMENT OF COMPLIANCE WITH BUILDING ACT 1993.

During the 2020-21 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 the Cladding Safety Victoria to fully investigate and resolve combustible cladding at the stadium. All works to the Hickey Stand awning are completed with a final position to the remainder of the stand due for confirmation and implementation.

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.

OTHER DISCLOSURES AND COMPLIANCE

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)

	2020-21 NUMBER	2019-201 NUMBER
The number of disclosures made by an individual to the Department and notified to the Independent Broad		
Assessable disclosures	0	0

Compliance with the Disability Act 2006

The Disability Act 2006 reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the Government sector and within the community. The Trust has complied with its obligations under the Disability Act to prepare a Diversity and Inclusion Plan for the purpose of: reducing barriers to access goods, services and facilities, reducing barriers to person with a disability obtaining and maintaining employment, promoting inclusion and participation in community as outlined below:

Reducing barriers to accessing goods, services and facilities

During 2020-21 the Trust undertook a Stadium Accessibility Improvements Audit for the provision of accessibility improvements recommending including handrails for Hickey Stand Level 1, dedicated ambulant seating throughout the stadium, hearing loops throughout the stadium and wayfinding improvements.

Reducing barriers to persons with a disability obtaining and maintaining employment

The Trust is an equal opportunity employer and candidates shall be assessed on their skills, experience, and any qualifications relevant to the inherent requirements, and the selection criteria of a particular position. Employees and potential employees of all abilities need to be reasonably accommodated in the workplace at the Trust. For recruitment purposes, the overall merits of an applicant are paramount. For an applicant with a disability, Hiring Managers may also need to consider reasonable adjustment requirements. The Trust commits to comply with all relevant State and Government legislation to ensure that our recruitment and selection processes are compliant and non-discriminatory. The Trust understands that having a diverse and inclusive people force leads to a competitive advantage, innovation, and success. By ensuring that our people feel included in what we do and recruiting more diverse people we aim to think differently, act boldly, and connect with our diverse customers and stakeholders more successfully. We want our people to reflect the diversity of the community we serve. The Trust will aim to undertake recruitment and selection in consideration of our Diversity and Inclusion Policy and our organisational values of courage, collaboration, care, accountability, equity, and integrity.

Financial Management Compliance Attestation Statement

I, Joe Calafiore, on behalf of the Responsible Body¹, 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

DISCLOSURE INDEX

The annual report of the Department is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021



TRUST MEMBER'S, ACCOUNTABLE OFFICER'S AND CHIEF FINANCIAL OFFICER'S DECLARATION

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

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and accompanying notes, presents fairly the financial transactions during the financial year ended 30 June 2021 and the financial position of Kardinia Park Stadium Trust as at 30 June 2021.

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.



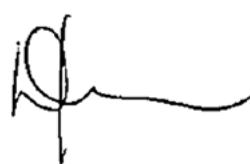
Mr Stephen Gough

Chairperson
Kardinia Park Stadium Trust
27-Sep-21



Mr Gerard Griffin

Chief Executive Officer
Accountable Officer
Kardinia Park Stadium Trust
27-Sep-21



Ms. Daphne Henderson

General Manager - Finance and
Corporate Services
Chief Finance Officer
Kardinia Park Stadium Trust
27-Sep-21

COMPREHENSIVE OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

(\$ thousand)

	Notes	2021	2020
INCOME FROM TRANSACTIONS			
Grants	2.1	5,064	5,730
Sale of goods and services	2.2	856	1,141
Interest	2.3	12	25
Total income from transactions		5,932	6,896
EXPENSES FROM TRANSACTIONS			
Employee benefit expenses	3.1	2,242	2,370
Depreciation	4.2	2,415	2,381
Other operating expenses	3.5	3,259	3,515
Total expenses from transactions		7,916	8,266
Net result from transactions (net operating balance)		(1,984)	(1,370)
OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT			
Net gain/(loss) on non-financial assets		(5,886)	14
Net gain/(loss) arising from revaluation of long service leave liability		(4)	(1)
Total other economic flows included in net result		(5,890)	13
Net result		(7,874)	(1,357)
OTHER ECONOMIC FLOWS – OTHER COMPREHENSIVE INCOME			
Changes in physical asset revaluation surplus	8.3	154	494
Comprehensive result		(7,720)	(863)

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

BALANCE SHEET AS AT 30 JUNE 2021

(\$ thousand)

	NOTES	2021	2020
ASSETS			
FINANCIAL ASSETS			
Cash and deposits		10,598	5,828
Receivables	5.1	1,555	550
Total financial assets		12,153	6,378
NON-FINANCIAL ASSETS			
Property, plant and equipment	4.1	169,236	163,762
Other non-financial assets	5.3	276	64
Total non-financial assets		169,512	163,826
Total assets		181,665	170,204
LIABILITIES			
Payables	5.2	2,973	764
Employee related provisions	3.2	214	211
Total liabilities		3,187	975
Net assets		178,478	169,230
EQUITY			
Accumulated surplus/(deficit)		(10,869)	(2,995)
Physical asset revaluation surplus	8.3	1,704	1,550
Contributed capital		187,643	170,675
Net worth		178,478	169,230

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 2021

(\$ thousand)

	NOTES	PHYSICAL ASSET REVALUATION SURPLUS	ACCUMULATED SURPLUS	CONTRIBUTIONS BY OWNER	TOTAL
Balance at 1 July 2020		1,550	(2,995)	170,675	169,230
Net Result for the year		-	(7,874)	-	(7,874)
Other Comprehensive Income	8.3	154	-	-	154
Contributed capital		-	-	16,968	16,968
Balance at 30 June 2021		1,704	(10,869)	187,643	178,478
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
Contributed capital		-	-	2,033	2,033
Balance at 30 June 2020		1,550	(2,995)	170,675	169,230

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 2021

(\$ thousand)

	NOTES	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Receipts from government		5,074	5,820
Receipts from customers		1,829	4,665
Interest received		10	23
Goods and services tax received from the ATO*		520	254
Total receipts		7,433	10,762
PAYMENTS			
Payments to suppliers		(4,760)	(7,064)
Payments to and on behalf of employees		(2,296)	(2,448)
Total payments		(7,056)	(9,512)
Net cash flows from/(used in) operating activities	6.1	377	1,250
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for non-financial assets		(11,148)	(1,743)
Net cash flows from/(used in) investing activities		(11,148)	(1,743)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from Government		14,980	2,033
Interest received		2	2
Goods and services tax received from the ATO*		559	79
Net cash flows from/(used in) financing activities		15,541	2,113
Net increase/(decrease) in cash and cash equivalents		4,770	1,620
Cash and cash equivalents at beginning of financial year		5,828	4,208
Cash and cash equivalents at end of financial year		10,599	5,828

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

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

1.0 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 2021. 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 financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. 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.

GOING CONCERN

The coronavirus (COVID-19) pandemic has had a substantial impact on the sport and recreation sectors across the 2019-20 and 2020-21 financial years, with further uncertainty and impacts of COVID-19 expected to be felt across the 2021-22 financial year.

Kardinia Park Stadium Trust is and remains wholly dependent on the continued support of the Government to provide funding to support its operations.

The Trust has been fortunate to secure additional COVID-19 related funding support during 2019-20, totalling \$1.0m to offset rental relief provided to tenants across the 2020 fiscal year, as well as Building Stimulus Works Package funding over the two years 30 June 2022, to undertake a number of projects across the stadium and precinct.

The Trust has built the operating budget for FY21-22 based on the funding envelope provided by Government at the May 2021 State Budget and currently maintains a modest cash reserve to ensure the operations of the Trust are able to continue in the short to medium term. Further funding for FY22-23 onward is subject to a business case, expected to be lodged with Government in late 2021.

The Department of Jobs, Precincts and Regions (DJPR), Sport and Recreation Victoria (SRV) and the Department of Treasury and Finance (DTF) are working closely with Kardinia Park Stadium Trust to monitor cash flows on a monthly basis.

The Trust continues to be able to pay its debts as and when they fall due and are satisfied that it is appropriate to prepare these financial statements on a going concern basis in accordance with AASB101 Presentation of Financial Statements.

COMPLIANCE INFORMATION

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable Australian Accounting Standards (AASs) 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 AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.

2.0 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)	
	2021	2020
General purpose	4,789	4,700
Other specific purpose	275	1,030
Total grants	5,064	5,730

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 without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Trust has an unconditional right to receive cash, which usually coincides with receipt of 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.

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB15. Revenue is 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 or shortly after the relevant obligation is satisfied.

2.0 FUNDING DELIVERY OF OUR SERVICES

2.2 SALE OF GOODS AND SERVICES

(\$ thousand)

	2021	2020
Lease Income	724	611
Rendering of services	132	530
Total sale of goods and services	856	1,141

The sale of goods and services included in the table above are transactions that the Trust has determined to be classified as revenue from contracts with customers in accordance with AASB15. Revenue is measured based 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.

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

2.3 INTEREST

(\$ thousand)

	2021	2020
Interest on bank deposits	12	25
Total interest	12	25

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.

3.0 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)

	2021	2020
Salaries and wages, annual leave and long service leave	1,952	2,153
Termination benefits	99	22
Superannuation contribution expense	191	195
Total employee expenses	2,242	2,370

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 in relation to superannuation 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.

3.0 THE COST OF DELIVERING SERVICES

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)

	2021	2020
CURRENT PROVISIONS:		
ANNUAL LEAVE		
Unconditional and expected to settle within 12 months	107	110
Unconditional and expected to settle after 12 months	18	19
LONG SERVICE LEAVE		
Unconditional and expected to settle within 12 months	10	11
Unconditional and expected to settle after 12 months	33	38
Accrued Days Off (Time in Lieu)	12	4
PROVISIONS FOR ON-COSTS		
Unconditional and expected to settle within 12 months	17	16
Unconditional and expected to settle after 12 months	7	7
	204	204
NON-CURRENT PROVISIONS:		
LONG SERVICE LEAVE		
Conditional and expected to settle after 12 months	9	6
PROVISION FOR ON-COSTS		
Conditional and expected to settle after 12 months	1	1
	214	211

3.0 THE COST OF DELIVERING SERVICES

3.3 MOVEMENT IN PROVISIONS

(\$ thousand)

	2021	2020
Opening balance	211	156
Additional provisions recognised	177	239
Reductions arising from payments/other sacrifices of future economic benefits	(178)	(185)
Unwind of discount and effect of changes in the discount rate	4	1
Closing balance	214	211
Current	204	204
Non-current	10	7

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 (undiscounted) 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 (undiscounted) 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 as an 'other economic flow' in the net result.

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.

3.0 THE COST OF DELIVERING SERVICES

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	
	2021	2020	2021	2020
DEFINED CONTRIBUTION PLANS				
VicSuper	52	43	-	7
Other	137	135	3	17
Total	188	178	3	23

3.5 OTHER OPERATING EXPENSES

(\$ thousand)

	2021	2020
SUPPLIES AND SERVICES		
Purchase of services (including remuneration of auditors)	2,146	2,192
Maintenance	1,114	1,324
Total other operating expenses	3,259	3,515

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.

4.0 KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

The Trust controls infrastructure and other assets that are utilised in fulfilling its objectives, and conducting its activities. They represent the resources that have been entrusted to the Trust to be utilised for the delivery of services.

4.1 TOTAL PROPERTY, PLANT AND EQUIPMENT

(\$ thousand)

	GROSS CARRYING AMOUNT		ACCUMULATED DEPRECIATION		NET CARRYING AMOUNT	
	2021	2020	2021	2020	2021	2020
Land at fair value	9,640	7,550	-	-	9,640	7,550
Buildings at fair value	142,189	148,075	(7,697)	(6,016)	134,492	142,059
Plant and equipment at fair value	12,366	12,003	(2,912)	(2,179)	9,454	9,823
Capital work in progress at cost	15,650	4,330	-	-	15,650	4,330
Net carrying amount	179,845	171,957	(10,609)	(8,196)	169,236	163,762

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 current 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 current 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 2021.

4.0 KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

4.2 DEPRECIATION AND AMORTISATION

(\$ thousand)

CHARGE FOR THE PERIOD	2021	2020
Buildings	1,681	1,678
Plant and equipment	734	702
Total depreciation	2,415	2,381

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:

(\$ thousand)

ASSETS	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.

4.0 KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

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

(\$ thousand)

2021	LAND AT FAIR VALUE	BUILDINGS AT FAIR VALUE	PLANT AND EQUIPMENT	CAPITAL WORK IN PROGRESS AT COST	TOTAL
Opening balance	7,550	142,059	9,823	4,330	163,762
Fair value of assets provided free of charge as a capital contribution	1,936	-	-	-	1,936
Additions	-	-	118	11,567	11,685
Revaluation of PPE	154	(5,886)	-	-	(5,732)
Transfer in/out of assets under construction	-	-	246	(246)	-
Depreciation	-	(1,681)	(734)	-	(2,415)
Closing balance	9,640	134,492	9,454	15,650	169,236

2020	LAND AT FAIR VALUE	BUILDINGS AT FAIR VALUE	PLANT AND EQUIPMENT	CAPITAL WORK IN PROGRESS AT COST	TOTAL
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)	(703)	-	(2,381)
Closing balance	7,550	142,059	9,823	4,330	163,762

5.0 OTHER ASSETS AND LIABILITIES

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

5.1 RECEIVABLES

	(\$ thousand)	
	2021	2020
CONTRACTUAL		
Sale of goods and services	1,140	400
State Government Grants	62	10
STATUTORY		
GST input tax credit recoverable	353	128
FBT Receivable	-	11
Total receivables	1,555	550
Represented by: Current receivables	1,555	550

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 2020-21 financial year (FY2020: nil).

5.2 PAYABLES

	(\$ thousand)	
	2021	2020
CONTRACTUAL		
Supplies and services	1,780	220
Unearned Income	55	-
Other payables	1,056	438
STATUTORY		
FBT payable	2	-
Superannuation payable	3	25
Other taxes payable	77	82
Total payables	2,973	764
Represented by: Current payables	2,973	764

5.0 OTHER ASSETS AND LIABILITIES

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)

2021	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	1,780	1,780	1,780	-	-	-	-
Unearned Income	55	55	5	10	40	-	-
Other payables	1,056	1,056	1,056	-	-	-	-
Total	2,891	2,891	2,841	10	40	-	-

2020	CARRYING AMOUNT	NOMINAL AMOUNT	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	-	-	-	-

5.3 OTHER NON-FINANCIAL ASSETS

(\$ thousand)

2021	2021	2020
CURRENT OTHER ASSETS		
Prepayments	276	64
Total current other assets	276	64
Total other non-financial assets	276	64

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.

6.0 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)

	2021	2020
Net result for the financial year	(7,874)	(1,357)
ADD/(LESS) NON-CASH MOVEMENTS INCLUDED IN THE RESULT FOR THE YEAR:		
(Gain)/Loss on revaluation of non financial assets	5,886	-
Depreciation and amortisation of non-financial assets	2,415	2,381
Disposal of assets	-	36
MOVEMENT IN ASSETS AND LIABILITIES:		
(Increase)/decrease in receivables	(838)	515
(Increase)/decrease in other non-financial assets	(212)	114
Increase/(decrease) in payables	997	(495)
Increase/(decrease) in employee provisions	3	55
Net cash flows from/(used in) operating activities	377	1,250

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.

6.0 HOW WE FINANCED OUR OPERATIONS

6.2.1 TOTAL COMMITMENTS PAYABLE

(\$ thousand)

NOMINAL AMOUNTS 2021	LESS THAN 1 YEAR	1-5 YEARS	5+ YEARS	TOTAL
Capital expenditure commitments payable - Stage 5	3,189	-	-	3,189
Capital expenditure commitments payable - Building Works Package	9,867	-	-	9,867
Total commitments (inclusive of GST)	13,056	-	-	13,056
Less GST recoverable from the Australian Taxation Office	1,186	-	-	1,186
Total commitments (exclusive of GST)	11,870	-	-	11,870
2020				
Capital expenditure commitments payable - Stage 5	1,172	-	-	1,172
Total commitments (inclusive of GST)	1,172	-	-	1,172
Less GST recoverable from the Australian Taxation Office	107	-	-	107
Total commitments (exclusive of GST)	1,065	-	-	1,065

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, business planning and schematic design works for the development of this project across the 2018-19, 2019-20 and 2020-21 financial years. Funding for the build stage of the project was announced as part of the 2020-21 Victorian Budget in October 2020, with enabling works for the project having commenced in late 2020-21, ahead of the appointment of a builder, expected in early 2021-22.

Costs incurred for the project to date have been recognised as Work In Progress on the balance sheet.

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

7.0 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 cost 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.

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

7.1.1 FINANCIAL INSTRUMENTS CATEGORISATION

(\$ thousand)

2021	FINANCIAL ASSETS AT AMORTISED	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
CONTRACTUAL FINANCIAL ASSETS			
Cash and deposits	10,598	-	10,598
RECEIVABLES¹			
Sale of goods and services	1,140	-	1,140
State Government Grants	62	-	62
Total contractual financial assets	11,800	-	11,800
CONTRACTUAL FINANCIAL LIABILITIES			
PAYABLES²			
Supplies and services	-	1,780	1,780
Unearned Income	-	55	55
Other payables	-	1,056	1,056
Total contractual financial liabilities	-	2,891	2,891
2020			
CONTRACTUAL FINANCIAL ASSETS			
Cash and deposits	5,828	-	5,828
RECEIVABLES¹			
Sale of goods and services	400	-	400
State Government Grants	10	-	10
Total contractual financial assets	6,238	-	6,238
CONTRACTUAL FINANCIAL LIABILITIES			
PAYABLES²			
Supplies and services	-	220	220
Other payables	-	438	438
Total contractual financial liabilities	-	658	658

¹ The total amount of financial assets disclosed here excludes statutory receivables.

² The total amount of financial liabilities disclosed here excludes statutory payables (i.e. taxes payable).

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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)

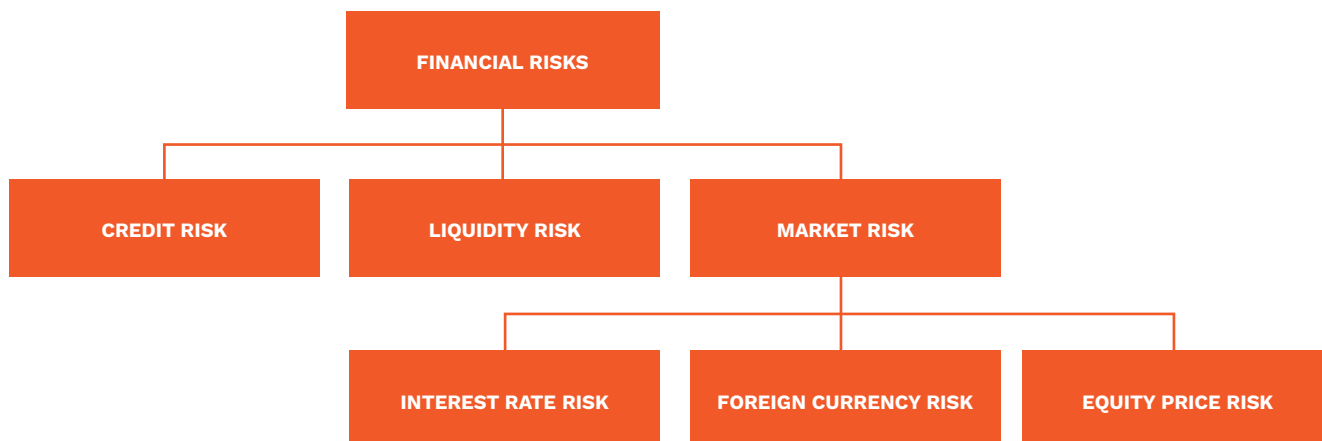
2021	NET HOLDING GAIN/(LOSS)	TOTAL INTEREST INCOME/(EXPENSE)	FEE INCOME/ (EXPENSE)	IMPAIRMENT LOSS
Contractual financial assets				
Financial assets	-	12	-	-
Total contractual financial assets	-	12	-	-

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	-	-

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

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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 2020-21.

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

CREDIT QUALITY OF FINANCIAL ASSETS

(\$ thousand)

	FINANCIAL INSTITUTIONS (AAA CREDIT RATINGS)		OTHER (MIN BBB CREDIT RATING)		TOTAL	
	2021	2020	2021	2020	2021	2020
Cash and deposits	10,598	5,828	-	-	10,598	5,828
Receivables - Sale of Goods and Services	-	-	1,140	400	1,140	400
Receivables - State Government Grants	-	-	62	10	62	10
Total contractual financial assets	10,598	5,828	1,202	410	11,800	6,238

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)

2020	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	73	-	2	335	-	410
Loss Allowance	-	-	-	-	-	-

2021	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	1,029	78	2	59	35	1,202
Loss Allowance	-	-	-	-	-	-

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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 are 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 2021.

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.

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:

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

INTEREST RATE EXPOSURE OF FINANCIAL INSTRUMENTS

(\$ thousand)

2021	WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	VARIABLE INTEREST RATE	NON INTEREST BEARING	CARRYING AMOUNT
FINANCIAL ASSETS				
Cash and Deposits	0.15	10,598	-	10,598
Receivables - Sale of Goods and Services	N/A	-	1,140	1,140
Receivables - State Government Grants	N/A	-	62	62
Total financial assets		10,598	1,202	11,800
FINANCIAL LIABILITIES				
Payables		-	1,780	1,780
Other Liabilities		-	1,111	1,111
Total financial liabilities		-	2,891	2,891

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

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

MARKET RISK EXPOSURE - INTEREST RATE SENSITIVITY

(\$ thousand)

2021	CARRYING AMOUNT	- 1% NET RESULT	- 1% EQUITY	+ 1% NET RESULT	+ 1% EQUITY
Cash and Deposits	10,598	(106)	(106)	106	106
Total (decrease)/increase	10,598	(106)	(106)	106	106
2020					
Cash and Deposits	5,828	(58)	(58)	58	58
Total (decrease)/increase	5,828	(58)	(58)	58	58

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 2021 (FY2020: 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 2021 (FY2020: nil).

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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 HEIRARCHY

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).

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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 2020-21 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 2021	CARRYING AMOUNT 2020	FAIR VALUE 2021	FAIR VALUE 2020
CONTRACTUAL FINANCIAL ASSETS				
Cash and deposits	10,598	5,828	10,598	5,828
RECEIVABLES				
Sale of goods and services	1,140	400	1,140	400
State Government Grants	62	10	62	10
Total contractual financial assets	11,800	6,238	11,800	6,238
CONTRACTUAL FINANCIAL LIABILITIES				
PAYABLES				
Supplies and services	1,780	220	1,780	220
Other Liabilities	1,111	438	1,111	438
Total contractual financial liabilities	2,891	658	2,891	658

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

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:		
	30 JUNE 2021	LEVEL 1	LEVEL 2	LEVEL 3
LAND AT FAIR VALUE				
Specialised land	9,640	-	-	9,640
Total of land at fair value	9,640	-	-	9,640
Buildings at fair value				
Specialised buildings	134,492	-	-	134,492
Total of buildings at fair value	134,492	-	-	134,492
PLANT AND EQUIPMENT AT FAIR VALUE				
Plant and equipment	9,454	-	-	9,454
Total of plant, equipment and vehicles at fair value	9,454	-	-	9,454

	CARRYING AMOUNT AS AT	FAIR VALUE MEASUREMENT AT END OF REPORTING PERIOD USING:		
	30 JUNE 2021	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	9,823	-	-	9,823
Total of plant, equipment and vehicles at fair value	9,823	-	-	9,823

There have been no transfers between levels during the period.

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Specialised Land and Buildings

The market approach is used for specialised land, although it is adjusted for the 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 103I, in the year ended 30 June 2021, an independent valuation of the Trust's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation of specialised land was performed using the market approach, adjusted for a fifty percent CSO. The depreciated replacement cost method was used to value the buildings, consistent with the previous valuation methodology. The effective date of valuation was 30 June 2021.

The market that the assets are valued in as at 30 June 2021 is being impacted by the uncertainty that the coronavirus (COVID-19) outbreak has caused. The valuer has advised that the current market environment, impacted by coronavirus (COVID-19) creates significant valuation uncertainty. The values assessed at the valuation date may therefore change over a short period of time.

	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS	RANGE (WEIGHTED AVERAGE)	SENSITIVITY OF FAIR VALUE MEASUREMENT TO CHANGES IN SIGNIFICANT UNOBSERVABLE INPUTS
Specialised Land	Market Approach	Cost per square metre	\$220-\$500 per square metre	A significant increase or decrease in the cost per square metre would result in a significantly higher or lower fair value.
	Market Approach	Community Service Obligation (CSO) Adjustment	50 per cent	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
Specialised Buildings	Depreciated Replacement Cost	Useful life of specialised buildings	0 - 120 years	A significant increase or decrease in the estimated useful life of each of the asset proponents would result in a significantly higher or lower valuation

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 2021. For all assets measured at fair value, the current use is considered the highest and best use.

There have been no changes to valuation methods in 2020-21.

7.0 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

7.3.3 RECONCILIATION OF LEVEL 3 FAIR VALUE

(\$ thousand)

2021	SPECIALISED LAND	SPECIALISED BUILDINGS	PLANT AND EQUIPMENT
OPENING BALANCE	7,550	142,059	9,823
Transfers in (out) of Level 3	2,090	-	364
Gain or loss recognised in Net Result	-	(5,886)	
Depreciation	-	(1,681)	(734)
Closing Balance	9,640	134,492	9,454

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)	(703)
Closing Balance	7,550	142,059	9,823

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)

	2021	2020
Compensation for economic loss	90	19
Total ex gratia expenses	90	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)

	2021	2020
NET GAIN / (LOSS) ON NON FINANCIAL ASSETS		
Net gain / (loss) on disposal of property, plant and equipment	-	14
Net gain / (loss) arising from revaluation of non financial assets at fair value through the net result	(5,886)	-
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	(4)	(1)
Total gain / (loss) from other economic flows	(4)	(1)

8.3 RESERVES

(\$ thousand)

	2021	2020
Physical asset revaluation surplus		
Balance at beginning of financial year	1,550	1,056
Revaluation increments / (decrements)	154	494
Balance at end of financial year	1,704	1,550

Physical asset revaluation surplus

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

8. OTHER DISCLOSURES

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, Trust 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 Tourism, Sport and Major Events.	1 July 2020	to	30 June 2021

TRUST	PERIOD		
Mr Stephen Gough	1 July 2020	to	30 June 2021
Ms Gillian Costa	1 July 2020	to	30 June 2021
Ms Elizabeth Mears	1 July 2020	to	29 October 2020
Mr Geoffrey Simmonds	1 July 2020	to	30 June 2021
Mr Joe Calafiore	1 July 2020	to	30 June 2021
Mr Rob Hulls	1 July 2020	to	30 June 2021
Ms Bernadette Uzelac	1 July 2020	to	30 June 2021
Ms Clare Amies	09 February 2021	to	30 June 2021

ACCOUNTABLE OFFICER	PERIOD		
Mr Gerard Griffin	1 July 2020	to	30 June 2021

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 2020-21 reporting period was in the range of \$390,000 - \$399,000 (\$390,000 - \$399,000 in 2019-20)

REMUNERATION RANGE (\$)	2021	2020
0 - 9,999	3	3
10,000 - 19,999	4	4
20,000 - 29,999	1	1
310,000 - 319,000	1	1
Total	9	9

8. OTHER DISCLOSURES

(\$ thousand)

	2021	2020
Total Remuneration of responsible persons	395	392

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	2021	2020
Short-term employee benefits	668	502
Post-employment benefits	63	49
Other long-term benefits	12	10
Total remuneration	743	561
Total number of executives	5	4
Total annualised employee equivalents	5	4

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.

8. OTHER DISCLOSURES

(\$ thousand)

REMUNERATION OF KEY MANAGEMENT PERSONNEL	2021	2020
Short-term employee benefits	361	364
Post-employment benefits	29	28
Other long-term benefits	5	5
Total remuneration	395	397

Outside of normal citizen type transactions with the Trust, there were no related party transactions that involved 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 (2019-20 : nil).

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 AASB124 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:

REMUNERATION OF KEY MANAGEMENT PERSONNEL	2021	2020
Victorian Auditor-General's Audit of the financial report	21	21
Total	21	21

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 Australian accounting standards issued that are not yet effective.

8. OTHER DISCLOSURES

8.10 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE.

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 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 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-23	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 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments.
- AASB 2020-7 Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures.
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2.
- AASB 2020-9 Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments.

INDEPENDENT AUDITOR'S REPORT



Independent Auditor's Report

To the Members 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 2021• 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• trust 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 2021 and its 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>
Members' responsibilities for the financial report	<p>The Members 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 Members 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 Members 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 Members
- conclude on the appropriateness of the Members' 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 Members 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
1 October 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

