



MELBOURNE CRICKET GROUND TRUST

ANNUAL REPORT 2020/21





Terminology

The Melbourne Cricket Ground Act 2009 refers to “members” being appointed to the Melbourne Cricket Ground Trust under section 7(a) or section 7(b). However, in the broader context of the MCG, the term “member” has a very clear common usage – it refers to members of the Melbourne Cricket Club (MCC). To ensure that there is no confusion in this report, the term “Trustee” is used to refer to the people appointed by the Governor in Council from time to time as members of the Trust.

Chairman's Report

This time last year I wrote about the uncertainty that lay ahead as our community navigated its way through the global pandemic. Whilst we're all hopeful that we are through the worst impacts of the pandemic here in Australia, it is clear that we have not seen the end of it. As I write, we are nearing the end of the fourth period of lockdown in Melbourne. All facets of our daily life have been affected by Coronavirus (COVID-19) – in our homes, at our workplaces, at our schools and in our sporting and entertainment activities. For us all here at the MCG, we have seen this magical arena - this place famous for intensely competitive sport and for inescapable excitement but also a place where we experience moments of quiet remembrance (think ANZAC Eve and ANZAC Day pre-game ceremonies) and moments of heartfelt reflection and hopeful reconciliation (think Dreamtime at *The 'G* and the Reconciliation round) – this magical MCG has been vacant, still, silent for so much of 2020 and again for periods in 2021. It is said that "absence makes the heart grow fonder" and that has definitely been proven true for our cricket- and footy-loving fans – the pent-up demand for rationed tickets to games as the footy returned in 2021 was palpable and the disappointment for those who missed out was painful.

How hard it was to come to terms with the 2020 AFL Grand Final being played away from the MCG – a loss truly felt by all sports-loving Victorians and understood by all Australians who have experienced the extraordinarily special atmosphere of *The 'G* full to the brim of passionate footy fans on Grand Final day. Our loss was Brisbane's and *The Gabba's* gain. Full credit must go the AFL for managing the season as well as they did in impossibly difficult and ever-changing circumstances and to our friends at *The Gabba* for hosting a memorable twilight Grand Final.

Life returned to *The 'G* in time for the 2020 Boxing Day test and our patrons were thrilled to be back at the home of sport and enthralled by a powerful Indian cricket team that had Australia's measure for most of the four days of play. The MCG pitch performed well and provided the foundation for a true test of bat versus ball throughout the test.

One procedural matter that deserves special mention is the functionality, efficiency and efficacy of our ticketing system that underpins, amongst many other things, the contact tracing capability required by the department of health as part of our COVID-Safe operating plans. Our systems have been put to the test on a few occasions since last year and they have proven to do exactly what they were designed to do. The Ground Manager was able to provide a comprehensive and accurate list of patrons that needed to be identified as possible close contacts of infected cases present at the ground. Those lists were available at the press of a button and were in the hands of the contact tracers literally within minutes of the request from the health authorities.

The financial statement contained in this report doesn't speak to the robustness of the financial model that underpins the running of the stadium and Yarra Park. The statement does, however, confirm that the Trust remains in good financial shape despite the rigours of a global pandemic and though a year when the stadium was, for much of the time, empty and had no patron revenues. The Melbourne Cricket Club (MCC), in its capacity as our Ground Manager, managed the stadium and Yarra Park without having to call on the State government for financial assistance albeit very grateful for the assistance provided by the Commonwealth government in the form of JobKeeper. The MCC met all its financial obligations, funded the ongoing maintenance of the stadium and nurtured our mission-critical supplier

Chairman's Report

partnerships throughout the lockdowns to ensure that we were ready to bounce back into action as soon as circumstances allowed. Trustees have been kept well informed of all aspects of critical Ground Management issues throughout the year and, on their behalf, I want to express our sincere thanks to the MCC committee, management and staff for their extraordinary efforts to get us through the most difficult of years.

Looking forward, I am delighted that we have reignited the Yarra Park Master Planning project that was necessarily put into hibernation when COVID-19 restrictions hit. This is an important project which will develop a new Master Plan to guide the maintenance, development and many aspects of the use of Yarra Park for the next ten or more years. The Master Plan will, amongst many other things, provide guidance for the use of the Park as a place for memories of a diversity of heroes – individuals or teams - worthy of recognition within the MCG precinct. Without pre-empting this element of that project, I was delighted to see one of our true heroes, Neale Daniher, recognised with the naming of the path from the William Barak bridge to the stadium as “Daniher’s Way” – a truly fitting recognition of Neale’s sporting life and, more recently, his tireless leadership of fundraising efforts to fund research into his own nemesis, Motor Neurone Disease.


I mentioned last year that we had reopened the refurbished Australian Sports Museum in February 2020, sadly, just in time for it to be closed in line with COVID restrictions. The museum reopened to business again in 2021 and it’s pleasing to see visitation numbers, including strong interest from school groups, starting to rebuild. Similarly, tours of the MCG – hosted by wonderful MCC member volunteers – are also regaining visitation numbers. In addition to the major event drawing power of the MCG, these other activities are important elements of the precinct’s overall tourism offer, bringing local and domestic tourists into the park and into the ground. Those numbers will continue to be below average for as long as interstate and international border restrictions create barriers to entry for our wider target audience.

The Trust and the Ground Manager must always look forward to ensure that the ground, Yarra Park and all our facilities remain fit for purpose today and are positioned to accommodate an evolving sports and entertainment landscape. Our mandate includes the objective of maintaining the MCG as a world class stadium so we must be ready to make decisions, large or small, regarding the development and improvement of the precinct. With that in mind, we have started to talk with the Ground Manager about the standard of facilities provided within the Great Southern Stand (GSS) which was completed in 1992. A superficial look at the stand as you approach the stadium or as you look across the ground to the GSS suggests that it “looks” pretty good, but a more comprehensive inspection of it behind the scenes is not so flattering. We recognise that whatever our analysis reveals, works on refurbishing will be expensive and the possibility of rebuilding the stand would be beyond our traditional funding mechanisms. This is a long-term project that will need careful consideration to develop a vision befitting the magnificent MCG and shared by all our stakeholders.

Chairman's Report

It goes without saying that this past year has been like no other. The Trust has spent an enormous amount of time exploring the impacts and implications of a range of unprecedented circumstances affecting the MCG and Yarra Park. My colleagues on the Trust have been tested by a number of COVID-19 curveballs and have proven to be equal to the task. For their time, their diligence and for the expertise they bring to our table, I must say, on behalf of all MCG stakeholders and personally, a very big thank you.

It is clear that Australia has navigated its way through the pandemic relatively well but, as the custodians of an international venue, our hearts and thoughts go out to all our international friends many of whom are in places where we know the medical resources are stretched beyond capacity and their communities are still being unmercifully ravaged by the scourge of COVID-19. We hope the next 12 months sees a light at the end of this long and dark tunnel for everyone so awfully affected by this pandemic.

A handwritten signature in black ink that reads "Steve Bracks". The signature is written in a cursive, flowing style.

Hon Steve Bracks AC

Chairman

June 2021

Executive Officer's Report

My report this year will be demonstrably different to prior years – hopefully a one-off – given the impacts Coronavirus (COVID-19) restrictions have had on our capacity to host events throughout the 2020-21 financial year. There are almost no attendance numbers to compare to previous years and, when we did host events, our capacity was capped at levels as low as 15%, sometimes at 30% or, at best at 50%. Year-on-year comparisons are therefore meaningless.

Financial Results

Trust revenue (predominantly lease payments received from the Melbourne Cricket Club) was \$4.832m (\$4.729m in 2019-20). Operating expenses, at \$245k, were higher than last year (\$132k in 2019-20) due to a heavier workload required of the Executive Officer (much of it COVID-19 impacts related), some one-off consultancy costs associated with Trust projects and the costs of asset revaluations (usually done once every 5 years). The Trust's contribution towards the repayment of MCC ground-related debt remained steady at \$4.52m. Our overall operating surplus was \$67k (\$77k in 2019-20).

Land holding valuations were undertaken by the Victorian Valuer-General's Office in March 2021 resulting in a \$44.7m increase in the holding value of MCG land (land only) to \$162.4m and a \$25.6m increase in the value of Yarra Park land to \$331.8m. The Trust is also the custodian of the Australian Gallery of Sport and Olympic Museum (AGoS-OM) collection. This collection is also independently valued at least every five years. These valuations are done on a market values approach and are influenced by the samples selected for valuation from our collection, the appropriate reference items that have been traded on the global market around that time and a number of other factors including currency movements. Whilst the full value to the community of this collection is both intangible and immeasurable, the financial value for the purposes of reporting has been decreased by an amount of \$7.9m to \$2.96m.

Under the terms of the Management and Indemnity Deed signed between the Treasurer of Victoria, the MCC and the MCGT, the Trust outsources its financial recording and reporting functions to the MCC. In undertaking those responsibilities on behalf of the Trust, the MCC adheres to all relevant Australian Accounting Standards. Trustees believe that our financial reporting framework and processes generally comply with relevant sections of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*.

The MCC also maintains a comprehensive asset management system that generally meets the requirements of the Victorian Government's Asset Management Accountability Framework (AMAF). The Club completed an AMAF assessment in January 2021 which demonstrated a high degree of asset management competence and no material compliance breaches. The AGoS-OM collection is curated by professional ASM staff and Trustees are confident that, whilst it's not subject to the formal AMAF process, it is properly and carefully managed on behalf of the Trust.

Executive Officer's Report

Activities at the MCG

AFL Football

During the 2020 AFL season, there were only five AFL games played at *The 'G* that patrons could attend. There were another nine games played here without crowds. The opening round of the season is the traditional blockbuster played between Richmond and Carlton. Crowd capacity was limited to 50% (50,000 seats) and the fans responded with just over 49,000 attending. Similarly the next day's game at *The 'G* was capped at 50% and drew more than 46,000 fans demonstrating the pent-up appetite for the live game day experience at the home of AFL football. The ground was closed to fans after the round 2 match played on 28 March 2020. Between then and 5 July 2020 we hosted nine games without crowds. The stadium was empty for the rest of the 2020 season.

The financial impact of a season with so few games and even fewer paying patrons bears heavily on the Ground Manager's revenues but not directly on Trust revenues. The fact that our Ground Manager, the MCC, was able to manage their finances in such a way as to emerge at the end of the year in a sound financial position is a great credit to them and demonstrates the value of the financial model we employ at the MCG.

Cricket

The 2020 Boxing Day Test saw the return of events and crowds at the stadium albeit with capacity limited to just 30% (30,000 seats). Days 1-3 of the test saw crowds ranging from just over 27,600 to almost 25,000 to watch the test between India and Australia.

Five BBL matches were played in the second half of January 2021 with capacity limited to just 15,000 seats. Again, interest in live game-day sport was clear with a (capacity-constrained) full house for the Stars V Renegades match and again for the Stars V Sydney Sixes game. Two of the other matches attracted 11,000-12,000 patrons.

Whilst Sheffield Shield games struggle to attract crowds, we support Cricket Australia's preference to give those players, many of whom are Australia's next generation Test cricketers, the opportunity to experience playing at the MCG.

Executive Officer's Report

Other Content

The pandemic ensured that there was no other content at the ground during this reporting period.

Yarra Park

Yarra Park has continued to be maintained to a high standard throughout the reporting period. In some ways, resting the park with no demand for car parking, has been a blessing. The turf has benefited from the rest and the trees are generally healthy. We undertake regular audits of tree health to monitor their wellbeing and to ensure that we can identify trees that may be at risk of dropping branches or falling. The most recent audit has identified a number of trees that require attention – heavy pruning or removal. Much of our tree stock was planted at the same time, many years ago, so will reach the end of its healthy life around the same time. The MCC engages expert arborists to advise us on tree stock management. With that advice to hand, we have plans for tree replacement programs to instigate as weaker and/or dangerous trees are removed.

Governance

The Trust works hand-in-glove with the MCC on the execution and oversight of a range of planned activities in the precinct to ensure that we meet our governance obligations and we meet the expectations of our stakeholders. The conditions prevailing throughout the last year meant that we had to agree to the deferral of many discretionary projects and activities so that the Club could conserve funds and direct resources to non-discretionary maintenance and pressing capital expenditure items. As our world returns to somewhere near normal – albeit COVID-normal, however fragile that may be - we are working with the Ground Manager to refresh their program of works and associated projects. We expect to return our focus to those deferred items as quickly as resources and conditions allow. Whilst we will be a bit behind schedule, we are working to achieve our objectives and to track well against the expectations of our Minister as outlined in his recent Statement of Expectations.

Throughout each year we ask Trustees to attend a variety of events at the ground to ensure that, amongst other things, they have a real and practical understanding of all aspects of the patron experience at the ground. To that end, Trustees are provided with complimentary access to seats and sometimes hospitality at AFL, cricket and other events at the MCG. During this reporting period Trustees and the Executive Officer collectively availed themselves of a total of 33 tickets across four different events (some with hospitality) with an approximate total retail value of \$2,643.00.

Executive Officer's Report

Acknowledgments

Our Chairman has already referred to the contributions made by our Trustees throughout this difficult year. "Unprecedented" maybe an overused term in these COVID-affected times but it truly applies to the extra burden of activity that Trustees have carried this year. They give freely of their time and their expertise for the benefit of all MCG stakeholders and, again, we owe them a debt of gratitude. My thanks go to each of them for their contribution and for their help and advice.

In past reports I have commented on the dynamics of the relationship the Trust has with the MCC Committee, Management and staff. This financial year has tested that relationship in a whole new way and I am happy to report that, again, it has proven to be robust and effective. With the support of his management team and staff, Stuart Fox's stewardship of MCG precinct throughout the constant uncertainty and unpredictability of the COVID-impacted year has been outstanding. My thanks go to Stuart and the team for their efforts. Their commitment to the task of finding ways through what often seemed like an overwhelming range of new and different health, safety, security and financial conditions has ensured the MCG remains in such good shape after such a challenging year.



Ben Foksett

Executive Officer

June 2021

Annual Financial Report

for the year ended 31 March 2021

Statement of Comprehensive Income

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
Revenue	3	4,832	4,729
Operating expenses		(245)	(132)
Contribution to Melbourne Cricket Club ("the Club") for repayment of Northern Stand Re-development debt ("Re-development Debt")		(4,520)	(4,520)
NET RESULT FOR THE YEAR	8 (c)	67	77
OTHER COMPREHENSIVE INCOME			
Fair Value Revaluations:			
Crown land - MCG	6, 8 (a)	44,700	-
Crown land - Yarra Park	6, 8 (a)	25,595	3,032
"Australian Gallery of Sport and Olympic Museum Collection ("AGOS-OM Collection")"	6, 8 (a)	(7,934)	-
Other Comprehensive Income for the year		62,361	3,032
Total Comprehensive Income for the year		62,428	3,109

The accompanying notes form part of these financial statements.

Balance Sheet

AS AT 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
CURRENT ASSETS			
Cash and cash equivalents	9 (b)	1,452	1,450
Trade and other receivables	4	260	232
Prepayments	5	2	2
TOTAL CURRENT ASSETS		1,714	1,684
NON-CURRENT ASSETS			
Property, plant and equipment	6	494,238	423,942
Other non-current assets	6	2,957	10,839
TOTAL NON-CURRENT ASSETS		497,195	434,781
TOTAL ASSETS		498,909	436,465
CURRENT LIABILITIES			
Trade and other payables	7	43	29
TOTAL CURRENT LIABILITIES		43	29
TOTAL LIABILITIES		43	29
NET ASSETS		498,866	436,436
EQUITY			
Accumulated funds	8 (c)	70,534	70,466
Reserves	8 (a,b)	428,332	365,970
TOTAL EQUITY		498,866	436,436

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

YEAR ENDED 31 MARCH 2021	Accumulated Funds \$'000	Reserves \$'000	Total Equity \$'000
Balance as at 31 March 2019	70,389	362,938	433,327
Changes in Equity			
Result for the year ended 31 March 2020	77	-	77
Other Comprehensive Income	-	3,032	3,032
Balance at 31 March 2020	70,466	365,970	436,437
Changes in Equity			
Result for the year ended 31 March 2021	67	-	67
Other Comprehensive Income	-	62,362	62,362
Balance at 31 March 2021	70,533	428,332	498,865

The accompanying notes form part of these financial statements.

Statement of Cash Flows

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(252)	(167)
Interest received		10	22
Ground lease rental from the Club		5,305	5,165
Contribution to the Club for repayment of Re-development Debt		(4,972)	(4,972)
GST cash flows		(37)	(100)
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	9 (a)	54	(52)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of non-financial assets		(52)	-
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		(52)	-
Net increase/(decrease) in cash and cash equivalents		2	(52)
Cash and cash equivalents at beginning of year		1,450	1,502
CASH AND CASH EQUIVALENTS AT END OF YEAR	9 (b)	1,452	1,450
Non-cash transactions	9 (c)	-	9

The accompanying notes form part of these financial statements.

Notes to Financial Statements

31 MARCH 2021

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

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

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

The registered office of the Trust is located at:

Melbourne Cricket Ground
Yarra Park
Jolimont
Victoria 3002

The principal activities of the Trust during the year were to act as custodian of the ground and of Yarra Park on behalf of the State Government and the people of Victoria. The Trust is also responsible for the formulation of strategies to maintain the MCG's status as a leading provider of premium sporting and other content, and for the management of Yarra Park. The Trust appointed the Melbourne Cricket Club ("The Club") as Ground Manager under the terms of the MCG Management and Indemnity (M&I) Deed dated 23 October 2018. Ultimately, the Trust oversees the Club's ground management role.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

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

(b) Statement of compliance

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and

various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods.

Judgements made by management in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a risk of material adjustments in the next year are disclosed throughout the notes to the financial statements.

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

Notes to Financial Statements

(continued)

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

(b) Statement of compliance (cont'd)

Consistent with AASB 13 *Fair Value Measurement*, the Trust determines the policies and procedures for recurring fair value measurements in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Management will assess the different factors impacting the fair value of the 'Crown Land – MCG' each financial year to determine the need for a revaluation outside of the current 5 year policy. These factors include the lease value, inflation rate, the 10 year risk free bond rate and movements in any other relevant criteria.

For the purpose of fair value disclosures, the Trust has determined the classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, the Trust determines whether transfers have occurred between the levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(c) Cash and cash equivalents

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

(d) Trade and other receivables

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

(e) Yarra Park

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

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

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

Notes to Financial Statements

(continued)

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

(f) Property, plant and equipment

(i) Crown land - MCG

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

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

This land was independently revalued by the Valuer-General Victoria at \$162.400 million at March 2021 and the next formal valuation will be 31 March 2026.

(ii) Crown land - Yarra Park

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

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

This land was independently revalued by the Valuer-General Victoria at \$331.838 million at March 2021 and the next formal valuation will be 31 March 2026.

(iii) Impairment

All assets are assessed annually for indications of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying amount exceeds its recoverable amount, the difference is written off by a charge to the Statement of Comprehensive Income, except to the extent that this write down can be debited to an asset revaluation reserve account applicable to that class of asset.

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

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

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

The AGOS-OM Collection was independently revalued at \$2.957 million at March 2021 and the next formal valuation will be 31 March 2026. Fair value for the AGOS-OM collection is determined by reference to the best available market evidence. Where available, this is based on the current market selling price of the same or similar works or on the estimated amount which market participants would be prepared to pay. As there are a large number of items in the collection, the whole collection has been valued using scientific sampling techniques. Based on observable market data, the valuation of the Collection has decreased significantly and therefore this valuation saw a write-down of the collection to its current fair value.

(h) Taxes

Income Tax

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

Goods and Services Tax (GST)

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

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

Notes to Financial Statements

(continued)

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

(h) Taxes (Cont'd)

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

(i) Allocation between current and non-current

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

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

(j) Indemnification and insurance of Trustees

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

(k) Revenue recognition

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

Lease Rental and Interest:

Control of a right to receive consideration for the provision of, or investment in, assets that have been attained. Rental income received from the Club is recognised on a straight-line basis over the lease term.

The leasing arrangement with the Club is discussed in Note 15 of the financial report.

(l) Expense payments

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

(m) Employee leave benefits & Operating Expenses i.e. Contractor Fees

Administrative services for the Trust are provided by a combination of MCC staff (at no cost to the Trust) and by contractors (the costs of which are borne by the Trust). The Trust did not employ staff during the year (2020: no staff employed). No employee leave benefits are owed at balance date (2020: nil benefits owed).

(n) Rounding

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.

(o) Events after reporting date

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

(p) Financial instruments

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

(q) Equity and Reserves

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

Notes to Financial Statements

(continued)

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

(r) Contingent assets and liabilities

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

(s) Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 13) at their nominal value.

(t) Changes in accounting policies

The accounting standards adopted in this financial report are consistent with those of the previous period.

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

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

The Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods on or after 1 January 2022 with earlier application permitted however the AASB has recently issued AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date to defer the application by one year to periods beginning on or after 1 January 2023. The Trust will not early adopt the Standard.

The Trust is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

(v) Scope and presentation of financial statements

Statement of Comprehensive Income

The statement of comprehensive income comprises two components, being 'net result for the year' and 'other comprehensive income for the year'. The sum of these components represents the total comprehensive income for the year in accordance with Australian Accounting Standards.

Balance Sheet

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

Statement of Cash Flows

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

Statement of Changes in Equity

The statement of changes in equity presents reconciliation of changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result.

Notes to Financial Statements

(continued)

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
3. REVENUE			
Lease rental from the Club		4,822	4,696
Total revenues from operating activities		4,822	4,696
Other revenues			
Interest revenue		10	24
Asset donations received		-	9
Total other revenues		10	33
Total revenues		4,832	4,729
4. TRADE AND OTHER RECEIVABLES			
GST receivable		260	232
Total receivables		260	232
5. PREPAYMENTS			
Insurance Prepayment		2	2
Total prepayments		2	2

Notes to Financial Statements

(continued)

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
6. PROPERTY, PLANT AND EQUIPMENT			
<i>Crown land - MCG</i>			
Carrying amount at beginning of year		117,700	117,700
Net amount of revaluation increment		44,700	-
Fair Value at 31 March 2021		162,400	117,700
<i>Crown Land – Yarra Park</i>			
Carrying amount at beginning of year		306,242	303,210
Net amount of revaluation increment		25,596	3,032
Fair Value at 31 March 2021		331,838	306,242
Total Property, Plant and Equipment		494,238	423,942
Other Non-Current Assets			
<i>AGOS-OM Collection (part of the ASM)</i>			
Carrying amount at beginning of year		10,839	10,830
Add donated items		-	9
Add purchased items		52	-
Net amount of revaluation decrement		(7,934)	-
Fair Value at 31 March 2021		2,957	10,839

Notes to Financial Statements

(continued)

6 (a) Fair value measurements

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

- Land
- AGOS-OM Collection

(i) Fair value measurement hierarchy for assets at 31 March 2021

The following table presents the Trust's assets measured and recognised at fair value at 31 March 2021.

YEAR ENDED 31 MARCH 2021	Notes	Carrying amount	Fair value measurement at end of reporting period using:		
			Level 1	Level 2	Level 3
		\$'000	\$'000	\$'000	\$'000
Balance at 31 March 2020					
Specialised land at fair value					
Crown Land - MCG	6, 2(b)	117,700	-	-	117,700
Crown Land - Yarra Park	6, 2(b)	306,242	-	-	306,242
Total of specialised land at fair value		423,942	-	-	423,942
Cultural assets at fair value					
AGOS-OM Collection	6, 2(b)	10,839	-	-	10,839
Total of cultural assets at fair value		10,839	-	-	10,839
Balance at 31 March 2021					
Specialised land at fair value					
Crown Land - MCG	6, 2(b)	162,400	-	-	162,400
Crown Land - Yarra Park	6, 2(b)	331,838	-	-	331,838
Total of specialised land at fair value		494,238	-	-	494,238
Cultural assets at fair value					
AGOS-OM Collection	6, 2(b)	2,957	-	-	2,957
Total of cultural assets at fair value		2,957	-	-	2,957

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

Notes to Financial Statements

(continued)

6 (b) Valuation techniques used to derive level 3 fair values

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

(i) Crown Land - Yarra Park

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

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

(ii) Crown Land - MCG

In view of the long term lease involved, the most appropriate method of the valuation of the land under lease to the Melbourne Cricket Club is the discounted cash flow method. This method involves the calculation of the present day value of the net cash flows being the present value of future rental streams under the lease into perpetuity. The fair value is determined using the inflation rate, as well as 3.3% risk premium over the 10 year risk free bond rate.

(iii) AGOS-OM Collection

For the AGOS-OM collection, the Trust obtains independent valuations from a qualified valuer at least every five years. The latest valuation, by Michael Fahey of Sports Memorabilia Australia, at 31 March 2021 was for \$2.957 million. Fair value for the AGOS-OM collection is determined by reference to the best available market evidence. Where available, this is based on the current market selling price of the same or similar works or on the estimated amount which market participants would be prepared to pay. As there are a large number of items in the collection, the whole collection has been valued using scientific sampling techniques. At the end of each reporting period the Trustees update their assessment of the fair value of the collection, taking into account any additions or disposals during the period and obtaining advice from the independent valuer that the fair value of the collection did not materially differ from the carrying value.

(iv) Reconciliation of Level 3 fair value

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

	2021 \$'000		2020 \$'000	
	<i>Specialised land</i>	<i>Cultural assets</i>	<i>Specialised land</i>	<i>Cultural assets</i>
OPENING BALANCE	423,942	10,839	420,910	10,830
Purchases (sales)	-	52	-	-
Transfers in (out) of Level 3	-	-	-	-
Gains or losses recognised in net result	-	13	-	9
Depreciation	-	-	-	-
Impairment loss	-	-	-	-
SUBTOTAL	423,942	10,904	420,910	10,839
Gains or losses recognised in other economic flows – other comprehensive income				
Revaluation	70,295	(7,947)	3,032	-
SUBTOTAL	70,295	(7,947)	3,032	-
CLOSING BALANCE	494,238	2,957	423,942	10,839
Unrealised gains/(losses) on non-financial assets	-	-	-	-

Notes to Financial Statements

(continued)

6 (b) Valuation techniques used to derive level 3 fair values (Cont'd)

For its land assets the Trust obtains independent valuations from the Valuer-General Victoria at least every five years. The latest valuations for Yarra Park Land (using the market approach adjusted for CSO), MCG Land (using the discounted cash flow method) and AGOS-OM Collection (using the best available market evidence and scientific sampling techniques) all occurred in the current financial year.

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

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

6 (c) Description of significant unobservable inputs to level 3 valuations for 2021

Valuation inputs and relationships to fair value.

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

Description	Valuation technique	Significant unobservable inputs
Crown Land – MCG	Discounted Cash flow approach	Indexation of future rental stream Discount rate applied to future rental streams Term of discounting
Crown land – Yarra Park	Market Approach	Direct cost per square metre Community Service Obligation (CSO) adjustment Sales Evidence
AGOS-OM Collection	Market Approach using a sampling technique	Selecting an appropriate comparable item at market value

The Crown Land of the MCG and Yarra Park were independently valued by the Valuer-General as at 31 March 2021. The Valuer-General has advised that the current real estate market is being impacted by the uncertainty that the novel coronavirus (COVID-19) pandemic has caused, with market conditions changing regularly. This market uncertainty has resulted in significant valuation uncertainty and the value assessed at the valuation date may therefore change over a relatively short time period.

Notes to Financial Statements

(continued)

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
7. TRADE AND OTHER PAYABLES			
Trade Creditors		23	14
Accrued Audit Fees		20	15
Total payables		43	29
8. RESERVES AND ACCUMULATED FUNDS			
Asset revaluation	8 (a)	428,284	365,922
Special purpose - Australian Sports Museum ("ASM")	8 (b)	48	48
		428,332	365,970
Accumulated funds	8 (c)	70,534	70,466
Reserves and Accumulated Funds		498,866	436,436
(a) Asset revaluation			
<i>(i) Nature and purpose of reserve</i>			
The asset revaluation reserve is used to record increments and decrements in the value of non-current assets.			
<i>(ii) Movements in reserve</i>			
Balance at beginning of year		365,922	362,890
Revaluation increments / (decrements) on revaluation of:			
- Crown land - MCG		44,700	-
- Crown land - Yarra Park		25,595	3,032
- AGOS-OM Collection		(7,934)	-
Balance at end of year		428,284	365,922

Notes to Financial Statements

(continued)

YEAR ENDED 31 MARCH 2021	2021 \$'000	2020 \$'000
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(b) Special purpose – ASM

(i) Nature and purpose of reserve

The ASM reserve records donations provided to the Trust for the purchase of sporting memorabilia.

(ii) Movements in reserve

Balance at beginning of year	48	48
Balance at end of year	48	48

(c) Accumulated funds

Balance at beginning of year	70,466	70,389
Net result for the year	67	77
Balance at end of year	70,533	70,466

9. CASH FLOW INFORMATION

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

Net result	67	77
Less assets donated	-	(9)
Changes in assets and liabilities		
(Increase)/decrease in trade & other receivables	(27)	(134)
Increase/(decrease) in trade & other payables	14	15
(Increase)/decrease in other non-financial assets	-	(1)
	54	(52)

(b) Reconciliation of cash

Cash and cash equivalents comprises:

- cash at bank	1,452	1,397
- short term deposits	-	53
Cash and cash equivalents at end of year	1,452	1,450

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

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

(c) Non cash transactions

During the reporting period the Trust received no donation revenue (2020: \$8,590) in the form of AGOS-OM collection assets. These were not reflected in the cash flow statements.

Notes to Financial Statements

(continued)

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
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10. AUDITORS' REMUNERATION

Amounts due to the Victorian Auditor-General for:

- an audit of the financial report of the Trust	20	15
	20	15

11. CONTINGENT LIABILITIES

Other than the financial guarantees disclosed in note 14, the trust is not aware of any other contingent liabilities.

12. SUBSEQUENT EVENTS

There are no events subsequent to the end of the financial year which, to the Trust's knowledge, will significantly affect the operating results and state of affairs of the Trust for the year ended 31 March 2021.

13. EXPENDITURE COMMITMENTS

At the date of this report, the Trust is not aware of any capital or contracted expenditure commitments.

14. RE-DEVELOPMENT OF THE MCG

Under the provisions of the original Indemnity Deed dated 11 April 1990, the Club agreed to redevelop the Great Southern Stand at a cost of approximately \$150 million. The original Indemnity Deed was re-negotiated and a new Management and Indemnity ("M&I") Deed was signed (15 August 2002) by the Trust, the Club and the State Government of Victoria. A re-negotiated M&I Deed was signed on 23 October 2018, and expires on 31 October 2057.

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

The outstanding long-term debt in relation to the re-developments of the MCG is recognised in the Club's accounts. Total Re-development Debt at 31 March 2021 for these projects is \$93.724 million (2020: \$109.232 million).

15. GROUND MANAGER

On 23 October 2018, the Club entered into a Deed of Variation and Restatement of Lease with the MCG Trust pursuant to which the Club's existing tenancy of the MCG was extended until 31 October 2057 with an option to extend its lease over the Members' Reserve for a further 25 years. The Club's role as Ground Manager of the MCG has also been extended until 31 October 2057 as per the M&I Deed.

Building Improvements and Capital Work in Progress have been funded by the Club, in its capacity as Ground Manager of the Melbourne Cricket Ground. Building Improvements and Capital Work in Progress are recognised in the Club's accounts at a written down value of \$384.687 million (2020: \$422.295 million). The residual interest in buildings and improvements at the ground will revert to the Trust at the end of the lease period.

Notes to Financial Statements

(continued)

15. GROUND MANAGER (Cont'd)

Non-Cancellable Operating Lease Receivables

YEAR ENDED 31 MARCH 2021	Notes	2021 \$'000	2020 \$'000
Not longer than one year		4,861	4,822
Longer than one year but not longer than five years		19,444	19,289
Longer than five years		153,523	157,127
		177,828	181,238

16. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

Interest rate risk exposures

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

Credit risk exposure

The Trust trades only with recognised, creditworthy third parties.

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

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

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

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

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

Notes to Financial Statements

(continued)

17. FINANCIAL INSTRUMENTS

(a) Interest rate risk

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

Financial Instruments	Floating interest rate		Fixed interest rate maturing in:						Weighted average effective interest rate	
			1 year or less		1 to 5 years		More than 5 years			
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 %	2020 %
(i) Financial assets										
Cash	1,452	1,397							1.0%	1.0%
Short term deposits at call	-	53							-	-
	1,452	1,450								

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

(b) Fair values

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

Recognised financial instruments

Cash and cash equivalents:

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

Trade and other receivables:

The carrying amount approximates fair value.

Trade and other payables:

The carrying amount approximates fair value.

Notes to Financial Statements

(continued)

17. FINANCIAL INSTRUMENTS (Cont'd)

(c) Liquidity risk management

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

The following table discloses the maturity analysis for contractual financial liabilities.

	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

2021

Payables⁽ⁱ⁾

Other payables	23	23	23	-	-	-
Total	23	23	23	-	-	-

2020

Payables⁽ⁱ⁾

Other payables	14	14	14	-	-	-
Total	14	14	14	-	-	-

Note:

(i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).

(d) Sensitivity analysis

Cash includes a deposit of \$1.452 million (2020: \$1.450 million) that is exposed to floating rates movements. Sensitivities to these movements are calculated using a movement of 50 basis points up and 50 basis points down, leading to a net result of \$0.007 million (2020: \$0.007 million).

Notes to Financial Statements

(continued)

18. 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 year. 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.

Responsible Ministers:	Period
Hon. Daniel Andrews Premier of Victoria	01/04/2020 – 31/03/2021
Hon. Martin Pakula Minister for Tourism, Sport and Major Events Minister for Business Precincts	01/04/2020 – 31/03/2021 22/06/2020 – 31/03/2021
Hon. Jacinta Allan Minister for Priority Precincts	01/04/2020 – 22/06/2020
Hon. Lily D'Ambrosio Minister for Energy, Environment and Climate Change	01/04/2020 – 31/03/2021
Trustees:	
Hon Stephen Bracks AC (Chairman)	01/04/2020 – 31/03/2021
Mr Ian Carson AM	01/04/2020 – 31/03/2021
Ms Bianca Chatfield	01/04/2020 – 31/03/2021
Ms Belinda Duarte	01/04/2020 – 31/03/2021
Mr Dale Monteith	01/04/2020 – 31/03/2021
Mr Robert Ray	01/04/2020 – 31/03/2021
Ms Linda White	01/04/2020 – 31/03/2021
Ms Amanda Ring	01/04/2020 – 31/03/2021
Mr James MacKenzie	01/04/2020 – 31/03/2021
Executive Officer:	
Mr Ben Foscett	01/04/2020 – 31/03/2021

The Trustees as listed above have received no remuneration (2020: Nil). They have, however, availed themselves of complimentary tickets to events at the MCG, sometimes including hospitality, to the value of \$2,643 during the reporting period.

Remuneration received or receivable by the Executive Officer in connection with the management of the Trust during the reporting period was \$113,622 (2020: \$100,145). The Executive Officer also availed himself of complimentary tickets during the reporting period. The value of those tickets is included in the amount of \$2,643 declared above.

Notes to Financial Statements

(continued)

19. RELATED PARTY DISCLOSURES

(a) The key management personnel of the Trust during the financial year are included in Note (18).

(b) Related Parties

The Trust is a wholly-owned and controlled statutory authority. Related parties for the Trust include:

- All key management personnel, their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over); and
- All trustees and their close family members; and
- Premier of Victoria and his close family members; and
- Minister for Tourism, Sport and Major Events/Minister for Business Precincts and his close family members; and
- Minister for Priority Precincts and her close family members; and
- Minister for Energy, Environment and Climate Change and her close family members.

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

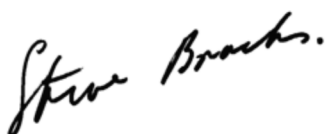
Declarations by Trustees & Accountable Officer

We certify the attached financial statements for the Melbourne Cricket Ground Trust have been prepared in accordance with Standing Direction 5.2 of the *Financial Management Act 1994*, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 31 March 2021 and the financial position of the Trust as at 31 March 2021.

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

On behalf of the Melbourne Cricket Ground Trust, we authorise the attached financial statements for issue on 28 May 2021.



Hon Stephen Bracks AC
Chairman



Ben Foksett
Executive Officer

Melbourne, 28 May 2021

Independent Auditor's Report

To the Trustees of the Melbourne Cricket Ground Trust

Opinion	<p>I have audited the financial report of the Melbourne Cricket Ground Trust (the Trust) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 31 March 2021 • statement of comprehensive income for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • notes to the financial statements, including significant accounting policies • declarations by trustees and accountable officer. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the Trust as at 31 March 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Trust in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Trustees' responsibilities for the financial report	<p>The Trustees are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Trustees' determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

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

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

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

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





Protected Disclosure Act 2012

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

