



MELBOURNE
CRICKET GROUND TRUST

ANNUAL REPORT 2022/23

Acknowledgment of Country:

Trustees acknowledge the Wurundjeri Woi-wurrung people as the Traditional Owners of the country on which the MCG and Yarra Park sit. We recognise and respect the cultural heritage of Aboriginal and Torres Strait Islander peoples and pay our respect to their Elders past, present and emerging. We extend that respect to all Aboriginal and Torres Strait Islander peoples who also visit the MCG.



CHAIRMAN'S REPORT

We're Back!

My last two reports have been dominated by commentary around the impact COVID-19 had on our ability to stage events and to attract crowds to the MCG so I am delighted to be able to start this report on that wonderfully positive note – **We're back! We're big and we're strong.**

The Executive Officer's report covers the detail of the success we've had hosting AFL, Cricket and Special Events at the MCG throughout this reporting year but suffice to say we have seen all sorts of records set. We've seen a strong return to AFL post-COVID and some exciting cricket events including the ICC's T20 Men's World Cup and amazing concerts featuring Guns 'N Roses, Billy Joel and Ed Sheeran.

Underpinning all the events at The 'G, we have seen a return to normal in the day-to-day operations of the ground. I mentioned in last year's report that 2022 saw the arrival of a new Catering & Hospitality service provider, Delaware North. Now, with 12 months of operations under their belt, we are seeing excellent results and increasing utilisation of our facilities including on non-event days. Whilst event days provide the stadium's bread and butter, the non-event day activity demonstrates that our venue has wide appeal for the conference and meetings industry as well as a venue for a cup of coffee, a quick meal in one of our cafes or a formal dining experience in the newly introduced "Committee Room by Grossi". Working the F&B assets and facilities of the MCG every day alongside the MCG Tours and the Australian Sports Museum as part of the Victorian Visitors' Economy continues to be a strong focus of both the Ground Manager and the Trust. Like the industry generally, Delaware North has found hiring staff to be very challenging in the current environment but we are seeing real progress towards more normal hiring patterns with service standards rebuilding. The Ground Manager continues to monitor food and beverage prices to ensure both our competitive position and sustainable operations. Whilst patrons dislike price increases, all reports so far indicate that the patron F&B experience is still rated relatively strongly.

As custodians of the precinct, the Trust has a mandate to think long-term and strategically to ensure that the MCG is a world class venue and remains a primary component of Victoria's major events offer. To that end, the Trust is working with the Melbourne Cricket Club (MCC) as Ground Manager to investigate options for the future of the Shane Warne Stand (formerly known as the Great Southern Stand). Visually, the MCG still looks magnificent but operationally that stand is 30 years old and without further improvement, will lack contemporary facilities that athletes and patrons require.

It's also an opportunity to explore ways to better integrate the MCG and the Melbourne Olympic Park precincts – an opportunity to create one of the world's truly unique and most functional sports and entertainment precincts. It's an opportunity to reimagine the Shane Warne Stand at the same time as our neighbours continue to develop the tennis centre. It's the perfect opportunity to think about the practical utilisation of the space above the ugly railyards that divide our precincts.

There is still an enormous amount of work to be done before we can develop and propose sensible, achievable and affordable options to our stakeholders. Any such proposals are still at least a couple of years away however, we will continue to work with the relevant stakeholders to ensure the MCG remains world-class.

CHAIRMAN'S REPORT

Work is nearing completion on the draft of our new Yarra Park Master Plan. This has been a big, complex and challenging project. We are looking to ensure that all the critical elements required to properly manage a public park as big as Yarra Park – it's one of Melbourne largest, inner-city, public green spaces - are thought through thoroughly and dealt with properly. There are the obvious environmental issues that encompass the management of grass, trees, water and native wildlife. At the same time, it is a place for recreation & exercise, it's a thoroughfare for walkers and cyclists, it's an event space for things like the Melbourne Marathon Festival, it's an historic corroboree site – a sacred place for ceremony, and a place to meet and to celebrate - for First Nations people, and it's a public carpark on major event days. The Park sits immediately adjacent to Australia's largest sports and entertainment venue but also has residential neighbours on a number of its boundaries. Every one of these and other elements are important but they do not necessarily sit easily with each other.

The new Master Plan tries to balance both the complimentary and the competing elements of daily life in the Park with a view to optimising the sustainability of the Park whilst accommodating the important and multi-faceted roles it plays in the daily lives and activities of its neighbourhood. We expect to be able to lodge the plan for Ministerial approval in the second half of 2023.

Former Minister for Tourism, Sport and Major Events, Martin Pakula MP was our primary responsible Minister from 2018 until mid-2022. I want to put on record our thanks to Martin for the active role and the intense interest he showed in the successful operation and development of the MCG. At a macro level he understood and supported the various relationships between his office, his department, the Trust and the MCC (as Ground Manager). He understood many of the intricacies of managing these facilities and he provided practical and helpful support as and when needed. We will miss his practical advice but hope that we will continue to see him at the ground supporting his beloved Carlton and the Australian cricket team.

At the same time it's a pleasure to welcome Steve Dimopoulos MP as the new Minister for Tourism, Sport and Major Events. In less than a year into his appointment, Steve has come to the role with high energy and enthusiasm and has taken the time to understand the issues the Trust is currently dealing with and those we're anticipating. I look forward to working with Steve over the years ahead.

As always, I want to thank my fellow Trustees for the diligence and ongoing commitment to their role as custodians of this very special precinct. They all volunteer their time and their expertise in a way that ensures the highest standards of governance at the Trust and in their dealings with all our stakeholders.

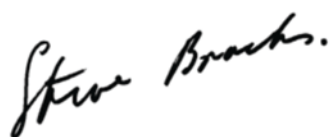
I especially want to thank Ms Belinda Duarte AM who retired in March after over 5 years as a member of the Trust. Belinda is a proud Wotjobaluk person and was an accomplished athlete. She brought unique insights to the Trust table reflecting that heritage and background. I know our MCC colleagues were especially grateful for the invaluable contribution she made as a member of their Reconciliation Action Plan (RAP) advisory group. Our engagement with the traditional owners of this land continues to be a very important priority for both the Trust and the Ground Manager and Belinda has helped us build bridges toward a place of mutual understanding and reconciliation.

CHAIRMAN'S REPORT

Ms Nyadol Nyuon OAM was appointed to the Trust in October 2022 and brings another unique and important perspective to the Trust. Nyadol was born in an Ethiopian refugee camp whilst her family was fleeing the Sudanese civil war. From a start in unthinkable disadvantage, Nyadol arrived in Australia in 2005 and immediately set about getting herself an education, first an Arts degree at Victoria University (VU) and then a Law degree at Melbourne University. She holds a number of appointments including as the Director of the Sir Zelman Cowen Centre at VU. She has a keen and active interest in assisting refugees assimilate into our community and in fighting racism in all its guises. I was delighted to welcome Nyadol to the Trust and look forward to the contribution she will make throughout her term.

Mrs Theresa Best was also appointed to the Trust in March 2023 and brings a strong commercial background along with sporting organisation governance and administrative experience to our table. She has indigenous roots with family ties back to the Darkinung people of the NSW central coast. We look forward to working with her.

Finally I want to thank our MCC colleagues for the outstanding work they do on our behalf and, more importantly, on behalf of all MCG stakeholders including our patrons. The stadium is in great shape despite its age and the issues that accompany that. We operate under a financial model that has weathered a difficult 2-year operational hiatus in 2021 and 2022 and the Ground Manager's finances reflect the robustness of that model. The MCC Committee and the MCC's management team and staff led by Stuart Fox are to be commended for another year of terrific results across all aspects of our stadium's operations. I should also say thank you to Mr Michael Happell who retired as MCC President in March 2023 after 4 very productive years in the role. Michael's strong commercial background and clear thinking was instrumental in his ability to steer the MCC and its role as Ground Manager through the unprecedented challenges faced in 2021 and 2022. He has led significant changes to the membership rules for the MCC which enhance MCC membership and which, in turn, flow through to the long-term success of the organisation and their ability to manage the precinct. The relationship between the MCC and the Trust is all the better for Michael's leadership and for the support of the MCC Committee, management and staff. In farewelling Michael, I welcome the appointment of long-standing MCC Committee member, Fred Oldfield as President and look forward to working with him in the years ahead.



Hon Steve Bracks AC
Chairman

June 2023

EXECUTIVE OFFICER'S REPORT

FINANCIAL RESULTS

Trust revenue for the 2022-23 financial year totalled \$7.21m (\$5.15m in 2021-22) including \$2m by way of a grant from the State Government to assist with the pre-feasibility work required as the first stage of our MCG redevelopment explorations. That grant was used in full to fund work led by Development Victoria to prepare the pre-feasibility report. Operating expenses were \$221k (\$191k in 2021-22). The Trust made a contribution of \$4.65m towards the reduction of the Ground Manager's debt (\$4.56m in 2021-22). The Trust dipped into cash reserves to provide an additional contribution towards the MCG Redevelopment pre-feasibility (\$200k this year [\$200k in the prior year]) and to the development of the new Yarra Park Master Plan (\$200k this financial year [nil in the prior year]). The net result from the above was an operating deficit of \$110k (\$78k deficit in 2021-22). Current assets stood at \$1.51m at the end of the financial year (\$1.84m in 2022) and the value of our land assets remained unchanged at \$494m.

Under the terms of the Management and Indemnity Deed between the State of Victoria, the Trust and the Melbourne Cricket Club (MCC), 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 State Government's Asset Management Accountability Framework (AMAF). The MCC completed an AMAF assessment in the first quarter of 2023 which demonstrated a high degree of asset management competence and no material breaches. The Australian Gallery of Sport and Olympic Museum (AGoS-OM) collection is curated by professional Australian Sports Museum staff and the 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

AFL CONTENT

The 2022 AFL season and the opening games of the 2023 AFL season have attracted big crowds. The six matches played at the MCG as part of the 2022 AFL finals series attracted over 500,000 fans in total with a capacity crowd of just over 100,000 coming to see the Geelong Vs Sydney Swans Grand Final. A total of just over 2.79m people attended AFL games at The 'G throughout the season. If the opening games of the 2023 season are any guide, this season may well break records for attendances.

AFL Season (Not MCGT FY)	Total AFL Attendance at MCG '000	Total Number of AFL Games (Number of Finals)	Average AFL Match Attendance '000
2022	2,796	52 (6)	54
2020 & 2021	COVID-19 affected – not comparable		
2019	2,834	50 (5)	57
2018	2,953	51 (6)	58
2017	2,696	50 (4)	54
2016	2,435	50 (4)	49
2015	2,495	49 (4)	51
2014	2,505	50 (5)	50
2013	2,791	51 (6)	55
2012	2,703	52 (5)	52
2011	3,069	54 (7)	57

CRICKET CONTENT

Cricket fans also flocked back to a smorgasbord of international cricket starting with the ICC's T20 Men's World Cup played at The 'G in October 2022. With our huge – and passionate – local Indian community and a smaller, but no less enthusiastic local Pakistani community, it was no surprise that over 90,000 cricket lovers came to the MCG to see India play Pakistan on 23 October. More than 82,000 came to see the Indians play Zimbabwe and then another 80,000 came to the final to see England prevail over India in an exhilarating climax to that international series. The 2022 Boxing Day Test series between Australia and South Africa attracted nearly 65,000 fans on Day 1 and just shy of 156,000 attending over the four days.

International Matches	2022/23 Season	2020 & 2021	2019/20 Season	2018/19 Season	2017/18 Season	2016/17 Season	2015/16 Season
Test Series Against	South Africa	COVID-19 affected – not comparable	New Zealand	India	England	Pakistan	West Indies
ODI &/OR T20 Series Against:	T20 Men's World Cup Series & Aust V England ODI		Sri Lanka	India	England	Pakistan & New Zealand	India
Match Days	12		5	7	7	8	7
Total Attendance	468,316		232,040	293,581	342,478	234,297	233,494
Average Attendance	39,026		46,408	41,940	48,925	29,287	33,356

EXECUTIVE OFFICER'S REPORT

Domestic cricket continues to struggle to attract crowds. The BBL attracts a modest following – 94,500 in total across six matches. The local derby between the Stars and the Renegades was the best draw card, attracting over 38,000 fans. The average daily attendance for the two Sheffield Shield series played at The 'G was just 414 people. Our colleagues at the MCC continue to work with both Cricket Australia and Cricket Victoria to see what might be done to attract more patrons to these domestic matches from what is still a large and active cricket-loving community.

BBL

Season	No of Matches	Total Attendance	Average Attendance
2022/23	6	94,540	15,757
2020 & 2021	COVID-19 affected – not comparable		
2019/20	7	179,416	25,631
2018/19	5	136,697	27,339
2017/18	5	158,146	31,629
2016/17	4	198,248	49,562
2015/16	6	241,790	40,298
2014/15	4	110,793	27,698
2013/14	5	99,757	19,951
2012/13	4	85,705	21,426

SPECIAL EVENTS AT THE 'G

2022-23 also saw the return of special events to The 'G. The Melbourne Marathon Festival continues to draw great participation – 29,000 runners this year plus their supporters, families and friends – culminating in a lap of the magic MCG which is a special highlight for many runners.

In December we hosted a Guns 'N Roses concert (attracting 52,000 devotees) and Billy Joel (attracting over 76,000 fans). It seems all sorts of records were set in March 2023 when we hosted Ed Sheeran over two amazing nights. He stated that they were the biggest audiences he'd ever played to and we set a record for concerts at The 'G – 215,000 people over the two nights. The staging of the Ed Sheeran concerts was unlike anything we've seen before at the MCG coming to the ground in over 130 semi-trailers. Special care had to be taken to protect the playing surface including the relaying of over 10,000sqm of new turf immediately after the event and just 13 days before the opening round of the 2023 men's AFL season. Despite much commentary about the juxtaposition of the events, the MCC proved again how well they understand and manage the turf at The 'G – the opening match of the season was played on a solid surface that, but for some slight variations in grass colour, was indistinguishable from that to which we are all accustomed.

EXECUTIVE OFFICER'S REPORT

PROJECTS

Working alongside our MCC colleagues, I have spent a good deal of my time on both the MCG Redevelopment project team and the Yarra Park Master Plan project team. The Chair has already made mention of the purpose and progress of both these groups so I won't repeat what he's already said. I should, however, comment on the quality of the work done by those teams. The MCC applies very strong and strict project management policies to all their significant projects and it is both comforting and exciting to be part of such well run and well led project teams. They demonstrate the highest standards of governance, probity and objectivity in that work. All necessary internal and external resources are applied to the task with independent consultants used to bring expert input and advice as and when needed. The Trust is deeply involved – in fact, imbedded – in the project teams – our Chairman chairs the MCG Redevelopment project working group and experienced Trustees represent the Trust along with myself on all such working groups.

ACKNOWLEDGMENTS

As always, I must say thank you to our Chair and to the Trustees who give so freely of their time and expertise. They all serve the Trust with distinction and provide me with wise counsel, sound advice and great support.

As mentioned by the Chair, Stuart Fox and his management team and staff provide extraordinary service to the Trust and to our stakeholders. The precinct is in great shape, the operation of the ground is first class and the fan experience continues to be appreciated by our patrons. My thanks to Stuart and his team for their part in ensuring an open, transparent and productive relationship between the Club, the Trust and my office.



Ben Foksett
Executive Officer

June 2023

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
Revenue	3	7,212	5,149
Operating expenses		(221)	(191)
MCG Re-development Business Case		(2,051)	-
Contribution to Melbourne Cricket Club ("the Club") for repayment of Northern Stand Re-development debt ("Re-development Debt")		(4,650)	(4,560)
Other Contributions to Melbourne Cricket Club		(400)	(475)
NET RESULT FOR THE YEAR	7 (c)	(110)	(78)
OTHER COMPREHENSIVE INCOME			
Fair Value Revaluations:			
Crown land - MCG	5, 7 (a)	-	-
Crown land - Yarra Park	5, 7 (a)	-	-
Australian Gallery of Sport and Olympic Museum Collection ("AGOS-OM Collection")	5, 7 (a)	-	-
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		(110)	(78)

The accompanying notes form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
CURRENT ASSETS			
Cash and cash equivalents	8 (b)	1,155	1,711
Trade and other receivables	4	355	134
TOTAL CURRENT ASSETS		1,510	1,845
NON-CURRENT ASSETS			
Property, plant and equipment	5	494,238	494,238
Other non-current assets	5	2,974	2,963
TOTAL NON-CURRENT ASSETS		497,212	497,201
TOTAL ASSETS		498,722	499,046
CURRENT LIABILITIES			
Trade and other payables	6	45	259
TOTAL CURRENT LIABILITIES		45	259
TOTAL LIABILITIES		45	259
NET ASSETS		498,677	498,787
EQUITY			
Accumulated funds	7 (c)	70,345	70,455
Reserves	7 (a,b)	428,332	428,332
TOTAL EQUITY		498,677	498,787

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2023	Accumulated Funds \$'000	Reserves \$'000	Total Equity \$'000
Balance as at 31 March 2021	70,533	428,332	498,865
Changes in Equity			
Result for the year ended 31 March 2022	(78)	-	(78)
Other Comprehensive Income	-	-	-
Balance at 31 March 2022	70,455	428,332	498,787
Changes in Equity			
Result for the year ended 31 March 2023	(110)	-	(110)
Other Comprehensive Income	-	-	-
Balance at 31 March 2023	70,345	428,332	498,677

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(236)	(213)
Interest received		70	7
State Government Grant received		2,200	303
Ground lease rental from the Club		5,588	5,347
Contribution to the Club for repayment of Re-development Debt		(5,115)	(5,016)
Other Contributions to the Club		(604)	(303)
MCG Re-development Business Case Payment		(2,256)	-
Goods and Services Tax receipts/(paid) to the ATO (i)		(203)	134
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	8 (a)	(556)	259
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of non-financial assets		-	-
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		-	-
Net increase/(decrease) in cash and cash equivalents		(556)	259
Cash and cash equivalents at beginning of year		1,711	1,452
CASH AND CASH EQUIVALENTS AT END OF YEAR	8 (b)	1,155	1,711
Non-cash transactions	8 (c)	11	6

(i) GST paid to the Australian Tax Office is presented on a net basis.

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2023

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 Deed ("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)

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 impaired receivables 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.

(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.

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

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

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. Management have performed a fair value assessment of the MCG Land at 31 March 2023 and found that the current fair value does not materially differ from the current book value.

(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. Management have performed a fair value assessment of the Yarra Park Land at 31 March 2023 and found that the current fair value does not materially differ from the current book value.

(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 is valued using scientific sampling techniques. Management have assessed the valuation at 31 March 2023 and determined that no change is required.

(h) Taxes

Income Tax

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

Goods and Services Tax (GST)

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

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

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

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

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

(i) Allocation between current and non-current

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

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

(j) Indemnification and insurance of Trustees

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

(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:

Grants recognised under AASB 1058

The Trust has determined that the grant income under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

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:

- contributions by owners, in accordance with AASB 1004;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16;

- a financial instrument, in accordance with AASB 9; or

- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Lease Rental and Interest:

Lease rental are recognised in the financial year and periods as per the agreements. 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 13 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 (2022: no staff employed). No employee leave benefits are owed at balance date (2022: 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.

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

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

(p) Financial instruments

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

(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.

(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.

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 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial
- Assets of Not-for-Profit Public Sector Entities.

(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 2023	Notes	2023 \$'000	2022 \$'000
3. REVENUE			
Lease rental from the Club		5,080	4,861
Total revenues from operating activities		5,080	4,861
Other revenues			
Interest revenue		70	7
Asset donations received		11	6
Club Contribution		51	-
State Government of Victoria Grant		2,000	275
Total other revenues		2,132	288
Total revenues		7,212	5,149
4. TRADE AND OTHER RECEIVABLES			
GST receivable		355	134
Total receivables		355	134

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

YEAR ENDED 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
5. PROPERTY, PLANT AND EQUIPMENT			
<i>Crown land - MCG</i>			
Carrying amount at beginning of year		162,400	162,400
Net amount of revaluation increment		-	-
Fair Value at 31 March 2023		162,400	162,400
<i>Crown Land – Yarra Park</i>			
Carrying amount at beginning of year		331,838	331,838
Net amount of revaluation increment		-	-
Fair Value at 31 March 2023		331,838	331,838
Total Property, Plant and Equipment		494,238	494,238
Other Non-Current Assets			
<i>AGOS-OM Collection (part of the ASM)</i>			
Carrying amount at beginning of year		2,963	2,957
Add donated items		11	6
Fair Value at 31 March 2022		2,974	2,963

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

5 (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 2023.

The following table presents the Trust's assets measured and recognised at fair value at 31 March 2023.

YEAR ENDED 31 MARCH 2023	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 2022					
Specialised land at fair value					
Crown Land - MCG	5, 2(b)	162,400	-	-	162,400
Crown Land - Yarra Park	5, 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	5, 2(b)	2,963	-	-	2,963
Total of cultural assets at fair value		2,963	-	-	2,963
Balance at 31 March 2023					
Specialised land at fair value					
Crown Land - MCG	5, 2(b)	162,400	-	-	162,400
Crown Land - Yarra Park	5, 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	5, 2(b)	2,974	-	-	2,974
Total of cultural assets at fair value		2,974	-	-	2,974

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)

5 (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.

	2023 \$'000		2022 \$'000	
	<i>Specialised Land</i>	<i>Cultural assets</i>	<i>Specialised Land</i>	<i>Cultural assets</i>
OPENING BALANCE	494,238	2,963	494,238	2,957
Donated Items	-	11	-	6
Transfers in (out) of Level 3	-	-	-	-
Gains or losses recognised in net result	-	-	-	-
Depreciation	-	-	-	-
Impairment loss	-	-	-	-
SUBTOTAL	494,238	2,974	494,238	2,963
Gains or losses recognised in other economic flows – Other Comprehensive Income				
Revaluation	-	-	-	-
SUBTOTAL	-	-	-	-
CLOSING BALANCE	494,238	2,974	494,238	2,963

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

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.

5 (c) Description of significant unobservable inputs to level 3 valuations for 2023

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

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

YEAR ENDED 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
6. TRADE AND OTHER PAYABLES			
Trade Creditors		21	239
Accrued Fees		24	20
Total payables		45	259
7. RESERVES AND ACCUMULATED FUNDS			
Asset revaluation	7 (a)	428,284	428,284
Special purpose - Australian Sports Museum ("ASM")	7 (b)	48	48
		428,332	428,332
Accumulated funds	7 (c)	70,345	70,455
Reserves and Accumulated Funds		498,677	498,787
(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		428,284	428,284
Revaluation increments / (decrements) on revaluation of:			
- Crown land - MCG		-	-
- Crown land - Yarra Park		-	-
- AGOS-OM Collection		-	-
Balance at end of year		428,284	428,284

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

YEAR ENDED 31 MARCH 2023	2023 \$'000	2022 \$'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	70,455	70,533
Net result for the year	(110)	(78)
Balance at end of year	70,345	70,455

8. CASH FLOW INFORMATION

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

Net result	(110)	(78)
Less assets donated	(11)	(6)
Changes in assets and liabilities		
(Increase)/decrease in trade & other receivables	(221)	128
Increase/(decrease) in trade & other payables	(214)	216
	(556)	259

(b) Reconciliation of cash

Cash and cash equivalents comprises:

- cash at bank	1,155	1,711
Cash and cash equivalents at end of year	1,155	1,711

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

(c) Non cash transactions

During the reporting period the Trust received \$10,500 donation revenue (2022: \$6,265) 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 2023	Notes	2023 \$'000	2022 \$'000
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9. AUDITORS' REMUNERATION

Amounts due to the Victorian Auditor-General for:

- an audit of the financial report of the Trust		23	20
		23	20
		23	20

10. CONTINGENT LIABILITIES

Other than the financial guarantees disclosed in note 15, the Trust is not aware of any other contingent liabilities (2022: Nil).

11. SUBSEQUENT EVENTS

There are no events subsequent to the end of the financial year which, to the Trust's knowledge, will significantly affect the operating results and state of affairs of the Trust for the year ended 31 March 2023.

12. 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 2059.

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 2023 for these projects is \$37.032 million (2022: \$77.225 million).

13. 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 2059 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 2059 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 \$331.199 million (2022: \$348.351 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)

13. GROUND MANAGER (Cont'd)

Non-Cancellable Operating Lease Receivables

YEAR ENDED 31 MARCH 2023	Notes	2023 \$'000	2022 \$'000
Not longer than one year		5,425	5,080
Longer than one year but not longer than five years		21,700	20,320
Longer than five years		160,490	155,363
		187,615	180,763

14. 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 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)

15. 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			
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 %	2022 %
(i) Financial assets										
Cash	1,155	1,711							2.6%	0.9%
Short term deposits at call	-	-							-	-
	1,155	1,711								

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)

15. 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
2023						
Payables⁽ⁱ⁾						
Other payables	21	21	21	-	-	-
Total	21	21	21	-	-	-
2022						
Payables⁽ⁱ⁾						
Other payables	239	239	239	-	-	-
Total	239	239	239	-	-	-

Note:

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

(d) Sensitivity analysis

Cash and short term deposits at call include a deposit of \$1.155 million (2022: 1.711 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 \$0.006m (2022: \$0.009m).

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

16. 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 State's Annual Financial Report.

Responsible Ministers:	Period
Hon. Daniel Andrews Premier of Victoria	01/04/2022 – 31/03/2023
Hon. Martin Pakula Minister for Tourism, Sport and Major Events Minister for Business Precincts	01/04/2022 – 27/06/2022 01/04/2022 – 27/06/2022
Mr. Steve Dimopoulos Minister for Tourism, Sport and Major Events Minister for Creative Industries	27/06/2022 – 31/03/2023 27/06/2022 – 31/03/2023
Hon. Sonya Kilkenny Minister for Planning	05/12/2022 – 31/03/2023
Hon. Lily D'Ambrosio Minister for Energy, Environment and Climate Change	01/04/2022 – 05/12/2022
Ingrid Stitt MLC Minister for Environment	05/12/2022 – 31/03/2023
Mr Ian Carson AM	01/04/2022 – 31/03/2023
Ms Bianca Chatfield	01/04/2022 – 31/03/2023
Ms Belinda Duarte	01/04/2022 – 04/03/2023
Mr Dale Monteith	01/04/2022 – 31/03/2023
Mr Robert Ray	01/04/2022 – 31/03/2023
Ms Linda White	01/04/2022 – 13/04/2022
Ms Amanda Ring	01/04/2022 – 31/03/2023
Mr James MacKenzie	01/04/2022 – 31/03/2023
Ms Nyadol Nyuon	04/10/2022 – 31/03/2023
Ms Theresa Best	29/03/2023 – 31/03/2023
Executive Officer: Mr Ben Foscett	01/04/2022 – 31/03/2023

The Trustees as listed above have received no remuneration (2022: Nil). They have, however, availed themselves of complimentary tickets to events at the MCG, sometimes including hospitality, to the value of \$25,415 (2022: \$8,800) 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 \$109,530 (2022: \$127,880). The Executive Officer also availed himself of complimentary tickets to events at the MCG, sometimes including hospitality. The value of those tickets is included in the amount of \$25,415 declared above.

NOTES TO FINANCIAL STATEMENTS

(CONTINUED)

17. RELATED PARTY DISCLOSURES

(a) The key management personnel of the Trust during the financial year are included in Note (16).

(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
- The Responsible Ministers shown in Note (16) and their close family members.

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

(c) Significant Transactions with Government-Related Entities:

Government-Related Entity	Transactions	2023 \$'000	2022 \$'000
Department of Jobs, Precincts and Regions	MCG Redevelopment Business Case	2,000	-
Development Victoria	MCG Redevelopment Business Case	(2,051)	-

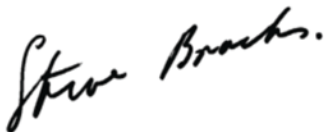
DECLARATIONS BY TRUSTEES & ACCOUNTABLE OFFICER

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 accompanying notes, to and forming part of the financial statements, presents fairly the financial transactions during the year ended 31 March 2023 and the financial position of the Trust as at 31 March 2023.

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 26 May 2023.



Hon Stephen Bracks AC
Chairman



Ben Fokett
Executive Officer

Melbourne, 26 May 2023

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 2023 • 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 2023 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>
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.



Simone Bohan
as delegate for the Auditor-General of Victoria

MELBOURNE
22 June 2023



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.

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.



THE PEOPLE'S GROUND