

Annual Report 2018–2019



MELBOURNE
RECITAL
CENTRE

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Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present Melbourne Recital Centre's Annual Report for the year ending 30 June 2019.

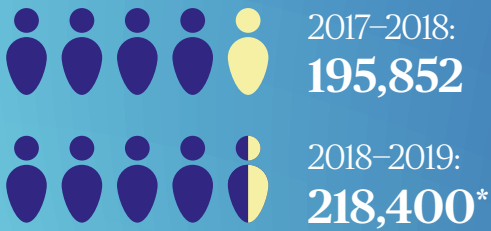


Prof Andrea Hull AO
 Chair, Melbourne Recital Centre
 Melbourne Recital Centre
 27 August 2019

Melbourne Recital Centre proudly stands on the land of the people of the Kulin Nation and we pay our respects to Melbourne's First People, to their Elders past and present, and to our shared future.

At a Glance 2018–2019

Total attendances



Web site visits



Melbourne Recital Centre Presents Revenue



Melbourne Recital Centre Members



Number of International Ensembles



Number of Australian Ensembles



Number of Public Events*



**Includes events at both Melbourne Recital Centre and beyond the Centre*

Key Achievements: Report Against Output Targets

Melbourne Recital Centre holds in trust one of the world's best spaces for the enjoyment of live music and celebrates that role with a distinctive program of concerts, events and activities in many forms and genres.

We envisage a future where music is at the heart of an inspired global community of musicians and audiences, and that the Centre inspires creativity, self-expression, learning and enrichment through music for people of all walks of life.

	2017-18 Results	2018-19 Target	2018-19 Results
Distinctive and diverse programs and audience			
Number of public events at Melbourne Recital Centre	580	595	601
Attendance at public events at Melbourne Recital Centre*	195,852	220,000	214,484
Number of Beyond the Centre events	73	80	94
Attendance at Beyond the Centre events ⁺	5,728	5,000	3,916
Participation by students*	13,426	15,000	14,140
Website - unique site visitors*	777,559	600,000	828,730
To build our financial and service capacities			
End of year financial result	\$1,751,777	\$1,217,243	\$959,289
Total revenue	\$14,756,035 [†]	\$14,669,429	\$14,787,678 [°]
Melbourne Recital Centre Presents Revenue	\$3,256,448	\$3,500,000	\$3,518,609
Development Revenue	\$3,076,359	\$2,705,000	\$2,930,692
To deliver stakeholder value			
Visitor satisfaction*	97%	95%	97%
All facility safety audits conducted*	1	1	1
Community Engagement			
Melbourne Recital Centre Members*	1,278	1,200	1,227
Volunteer hours*	672	750	539
To aspire to creative leadership, with emphasis on the Australian voice			
Number of Australian artists and ensembles	359	275	397
To build the Centre's position in the international context			
Number of international artists and ensembles	98	100	104

*Portfolio Agencies Output - 2018-19 State Budget Paper No. 3

⁺Beyond the Centre events take place outside Melbourne Recital Centre. Attendance not reported in previous years but included from 2018-19. Total visitation (events at the Centre plus Beyond the Centre) 2018-19: 218,400.

[†]Includes endowment gifts of \$1,500,000

[°]Includes endowment gifts of \$1,000,000



‘The James Morrison concert was a marvellous exposition of jazz, played by a band of very talented young musicians. Bring them back soon!’

Audience Member

James Morrison & Jazz Academy Orchestra

Report From The Chair and CEO

Wominjeka, welcome.

Melbourne Recital Centre began its 10th Anniversary celebrations on Friday 8 February 2019 with a sold-out Gala Birthday Concert in Elisabeth Murdoch Hall that showcased what is so unique about our organisation: community, relationships and a passion for music of all kinds. We welcomed three generations of musicians to the stage. The youngest, Christian Li was 11 and the oldest, Judy Hall, was 96. Many of the other Victorian and Australian performers we heard that night have played important parts in the first 10 years of the Centre's life. This moving and joyful experience was shared by an audience who paid only \$10 per ticket and the national audience of ABC Classic FM's live broadcast.



Prof. Andrea Hull AO
Chair, Melbourne Recital Centre
Board of Directors

Euan Murdoch
CEO, Melbourne Recital Centre



Alex Waite, Timothy Young & Judy Hall

A Year of Inspired Giving

The evening prior, our community of supporters gathered for the annual Birthday Gala Dinner, where thanks to the inspiring generosity of our donors over \$150,000 was raised for the Centre's Learning and Access programs. This important part of our activities extends the Centre's reach into our community and beyond, providing enriching experiences for people of all ages.

Our extraordinary supporters have united to contribute just under \$3 million in development revenue, including a transformative endowment from Lady Primrose Potter AC. In honour of her generous gift, our jewel-like chamber music space has been renamed the Primrose Potter Salon.

Our supporter community also helped us purchase two new Steinway pianos. The exquisite Steinway D for Elisabeth Murdoch Hall made its debut at the Gala Concert. A Steinway C for the Primrose Potter Salon will be selected soon. The funds for the latter were raised by donors to the Steinway Giving Circle with matching funding from Gandel Philanthropy. These wonderful 10th birthday presents will inspire performers and audiences for years to come.

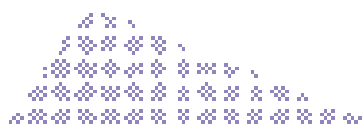
A Year of Standing Ovations

A busy and successful 2018-19 generated Melbourne Recital Centre Presents gross box office of \$3,518,609, a 10% year-on-year increase. Philanthropic and Government support and revenue from commercial operations resulted in a net surplus of \$959,289. Thank you to all the audiences, artists, donors, performing arts companies, clients, and the Victorian Government for your sustained support and patronage.

We welcomed more people than ever as 218,000 music-lovers enjoyed 695 ticketed and free events both in and beyond the Centre, including the 2,300 first-time attendees who could access tickets for just \$10 thanks to donors at the 2018 Gala Dinner and the Robert Salzer Foundation. Nearly 4,000 Victorians attended live music around the state in the 94 *Beyond the Centre* events we presented in partnership with Victorian musicians, regional venues and aged care communities. The Centre's digital platforms extend our activities to viewers and readers around the world. We captured 50 concerts and expanded our library of resources on our online magazine *Soundscapes* making it the best place to discover the stories behind the music. 828,730 people visited the Centre's website, a 6% increase on last year.

The Centre's *Free Music* program in the Primrose Potter Salon on one Monday each month gives visitors the opportunity to engage with ensembles in open rehearsals. These events have been met enthusiastically by the participating musicians and our audiences.

One of the highlights of the Centre's program was the Australian premiere of the acclaimed early music ensemble Gabrieli Consort and Players directed by Paul McCreesh. The Gabrielis performed Purcell's *King Arthur* to capacity houses and won the Helpmann Award for best Chamber and/or Instrumental Ensemble Concert. Their concerts were filmed and can be viewed at live.melbournerecital.com.au





Lady Primrose Potter AC



Gabrieli Consort

Supporting a Year of Excellence

On behalf of Melbourne Recital Centre, we offer our sincere thanks to Kathryn Fagg AO who retired from the position of Chair that she held for nine years. Under Kathryn's governance the Centre flourished, as we diversified our program and audiences, and developed a secure foundation for our future. A donor and advocate, Kathryn will continue her relationship with the Centre as a member of its passionate audiences. Stephen Carpenter acted as Chair after Kathryn's retirement in March. Thank you, Stephen for leading the Centre during this interim period.

In June we announced the appointment of the Centre's new Chair Professor Andrea Hull AO. Professor Hull brings to this important role a distinguished record of achievement in the arts, government and education. As Director and Chief Executive Officer of the Victorian College of the Arts (VCA) from 1995 to 2008, Professor Hull made a significant contribution to Victoria's cultural landscape and Melbourne's Arts Precinct. We are delighted to welcome Andrea to the Centre, and back into the Arts Precinct.

We welcomed new members of the Board this year: Associate Professor Jody Evans, of Melbourne Business School (University of Melbourne) and Audrey Zibelman, Managing Director and CEO of the Australian Energy Market Operator (AEMO). We are grateful for the depth of knowledge and experience that Jody and Audrey bring to the Board. We thank departing Board member Margaret Taylor for her contribution to the Centre. Thanks to the members of the Melbourne Recital Centre Board who so generously give their time and expertise to support the Centre's vision.

We continued our Information Technology Transformation project, our strategic investment in the Centre's IT capability. We also undertook significant work in refreshing our Policy framework, implementing revised Delegations and Procurement policies, with others in development.

The Board conferred Life Memberships on nine people who have made significant contributions to the Centre's success over the last decade. You can read more about each of them and their contributions on page 29.

The Centre thanks the Minister for Creative Industries Martin Foley MP and CEO of Creative Victoria Andrew Abbott for their ongoing support of Melbourne Recital Centre that allows us to play our role in this creative state. Our profound gratitude to the people of Victoria and the State Government of Victoria for their investment in Victoria's flourishing creative and cultural arts sector.

Thank You for a Year of Great Music

Thanks to the audiences, musicians and supporters who are at the heart of what we do. On behalf of the Board we thank the talented staff - the Melbourne Recital Centre family - who bring nearly 700 events to life each year, realising the dreams and visions of artists, and enabling transforming performances for our passionate audiences. Sincere thanks to those team members who have been with the Centre since its very inception 10 years ago. As the Arts Precinct develops and becomes ever more vibrant, Melbourne Recital Centre continues to be a beacon for all music-lovers and an inspiring leader for the music sector.

Thank you to all Victorians for sharing some incredible musical memories with us over the past 10 years. We look forward to welcoming you to many more entertaining, stimulating and unforgettable experiences in our next decade and beyond.

Thank you.

Prof. Andrea Hull AO

Chair, Melbourne Recital Centre Board of Directors

Euan Murdoch

CEO, Melbourne Recital Centre

'Excellent concert, musicians
and venue! Loved Harts and hope
he continues with his Hendrix
passionate show nationally.'

Audience Member



Melbourne Recital Centre Program Highlights

Melbourne Recital Centre consolidated its reputation as one of Australia's most exciting presenters across a broad range of music, representing the pinnacle of the art form as practised by Australian and international performers.

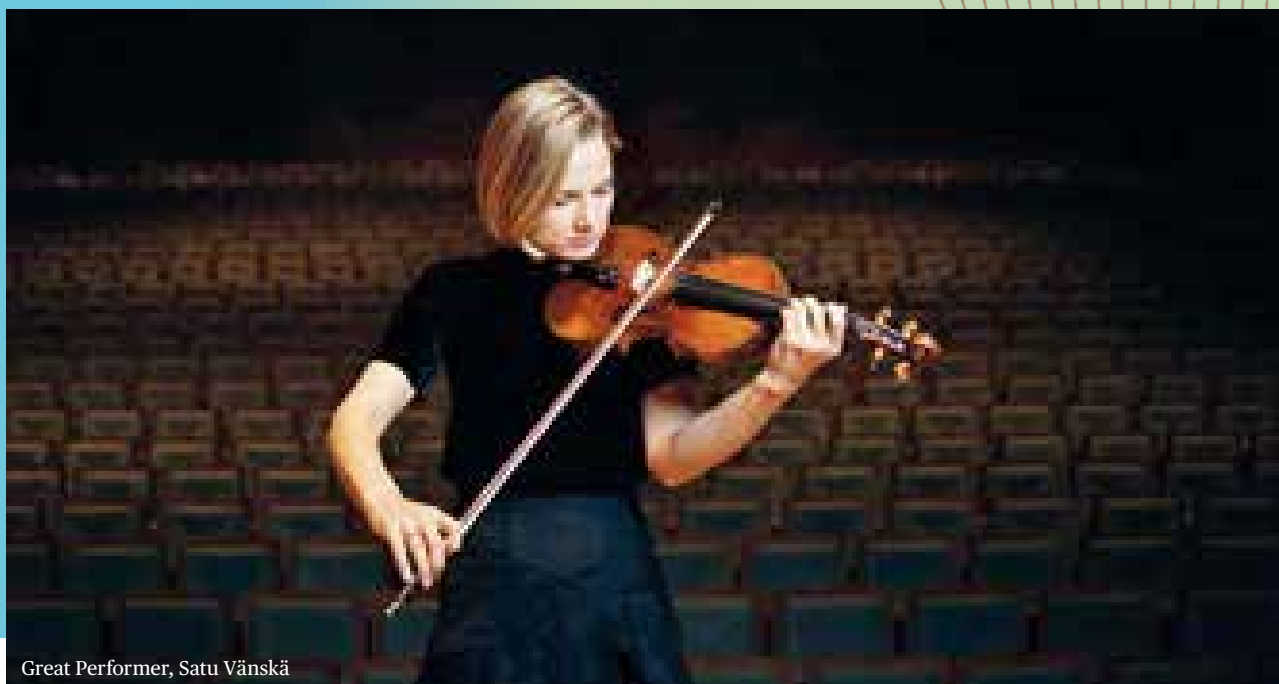
Melbourne Recital Centre is a venue of - and for - the 21st century: celebrating the past, welcoming the present and imagining the future; a place where artists and concert-goers are invited to engage, challenge and explore.

10th Birthday Gala Concert

To celebrate our 10th Anniversary we opened the year with a Gala concert featuring artists from around Australia, representing the diversity of the program activity here at the Centre. Featured artists were: pianists 96-year-old Judy Hall, Timothy Young, Alex Waite, Laurence Matheson, Tony Gould with Ben Robertson (bass), Ronald Farren-Price; 2019 Artist-in-Residence William Barton and Aunty Delmae Barton; Christian Li, violin; Veronique Serret, violin; Paul Dean, clarinet with Partridge Quartet; *Accelerando* participants from across Victoria; Ramnath Iyer, Gopinath Iyer, Sridhar Chari, and Priyadharshini Raveendran; and harpist Melina van Leeuwen performing the music of Helen Gifford.



Local Heroes, Melbourne Guitar Quartet



Great Performer, Satu Vänskä

Signature Events

Signature Events showcase outstanding large-scale international events, positioning the Centre as a key venue on the international touring circuit. In February 2019 we presented the U.K.-based Gabrieli Consort and Players in their Helpmann Award-winning Australian debut performances.

International and Australian Chamber Music and Musicians

We continue to present the best chamber from Australia and the world. We hosted the grand finals of the Melbourne International Chamber Music Competition in July 2018. In 2019 we presented internationally acclaimed ensembles The Sixteen (U.K.), Trio Wanderer (France) and the Brodsky Quartet (U.K.).

We announced our 2019 Artist-in-Residence, William Barton, and again partnered with the Emerging Writers Festival as our Writers-in-Residence. Genevieve Lacey, our 2018 Artist-in-Residence completed her residency in December 2018.

Great Performers

Great Performers series continues to lead the way in Australia as a platform for solo recitalists to present their artistry in this most intimate art form. In 2018-19 we presented Stuart Skelton and Richard Peirson, Paul Lewis, Tasmin Little and Piers Lane, Ksenija Sidorova, Satu Vänskä and Kristian Chong, Jordi Savall and Xavier Díaz-Latorre, Kirill Gerstein and Vadim Gluzman and Daniel de Borah.

Local Heroes, Spotlight, Southbank Series, Mostly Mozart

Our innovative *Local Heroes*, *Southbank Series* and *Spotlight Series* continued to grow in diversity and numbers. These programs provide a platform for Victorian and Australian ensembles by subsidising presentation costs, providing a guaranteed fee and support in promotion and audience development. The *Spotlight Series* showcases emerging ensembles and those new to the Centre in one-off performances, exposing audiences to the fascinating new artistic voices and repertoire.



William Barton & Delmae Barton



Dindin Wang, winner 2019 Bach Competition

Awards, competitions, commissions and premieres

Melbourne Recital Centre hosts two competitions each year. The Bach Competition (up to 17 years of age), and Great Romantics Competition (18-25 years old). The Contemporary Masters Award for best performance of a work composed between 1900 to today, is awarded twice annually.

We continue to support two composers from the Melbourne Conservatorium of Music composition stream to write new works for selected *Local Heroes* ensembles. We commenced our 10th Anniversary commissioning program with an ambitious suite of 10 new commissions from Australian and international composers.

First Nations

Melbourne Recital Centre proudly stands on the land of the Kulin Nation. Jessie Lloyd was our first indigenous curator of *Yinga-bul*, programming an outstanding line-up of deadly female artists from around Australia in July 2018.

In May 2019, the Centre collaborated with the City of Melbourne for two performances as part of the biennial *Yirramboi* Festival: Hawaiian singer Kaumakaiwa Kanaka'ole, and the Black She Oaks with Australian singer Lydia Fairhall.



Sound Matters Workshop



Neneh Cherry

Contemporary, world, jazz

Establishing a reputation as one of Melbourne's most exciting places to hear contemporary music, Melbourne Recital Centre explored the connections between art and music across multiple genres.

Learning and Access, Kids & Families

The Centre's *Learning and Access* program continues to provide outstanding music programs to Victorians of all ages and backgrounds. We continue to offer access to tickets and transport subsidies through *Share the Music*. Our *Music Always* program reached over 3,000 senior Victorians through concerts for residents in partnership with Multicultural Aged Care Services Geelong, Emmy Monash Aged Care, Uniting Care, Villa Maria and BASSCare, as well as performances at Euroa Health, Illoura, Rumbalara and Coinda Aged Care facilities in regional Victoria.

Accelerando, our artist development program for gifted and talented Year 10 to Year 12 students enrolled in government schools, continued into its fourth year, with nine participants now taking part.

Music Play, our annual music festival for families and young people, once again inspired and engaged audiences with a suite of age-specific events.

Beyond the Centre

We continue to develop and expand our concerts beyond the Centre, giving opportunities to regional audiences to experience the very best that Victorian, Australian and international artists have to offer.

We supported performances in the Benalla, Bendigo, Birregurra, Mildura, Portland, Wangaratta, Warragul and Yarra Ranges.

Kaye Trainor

'It is always a pleasure to attend the Centre - the warmth and the professionalism of all staff across the venue is wonderful.'

Audience member since 2009



Kaye Trainor

Key Presenting Partners and Hirers

We thank our Key Presenting Partners for their contribution to Melbourne's vibrant musical life: Australian Brandenburg Orchestra, Australian Chamber Orchestra, Australian String Quartet, Melbourne Chamber Orchestra, Melbourne Festival, Melbourne International Jazz Festival, Melbourne Symphony Orchestra, Australian National Academy of Music (ANAM) and Musica Viva Australia.

Thanks also to our Learning Partner, The University of Melbourne for engaging with master classes, awards presentations, research projects and Conservatorium concerts.



Thank You to Our Key Presenting Partners and Hirers

3MBSFM

Alphington Grammar School

Anatolian Arts

Andrew Day

Andrew McKinnon Presentations

Ashton Smith Singers

Ausfeng Event Productions

Australian Boys Choral Institute

Australian Brandenburg Orchestra

Australian Chamber Orchestra

Australian National Academy
of Music

Australian Romantic &
Classical Orchestra

Australian School of Performing Arts

Australian String Quartet

Australian Youth Orchestra

AWR Music Productions

Calvin Bowman

Carey Baptist Grammar School

Chugg Touring and Events

Con Brio School of Music

Down-Under Concert Direction

DP Entertainment

Elevator Studios

Excelsis

Greek Community of Melbourne

Heavy Network

Heidelberg Choral Society

Hoang Pham Productions

Hugh Crosthwaite

Hush Foundation

Iranian Shows in Australia

Isin Cakmakcioglu

Lauriston Girls' School

LH Music Pty Ltd

Live Nation

Loreto Mandeville Hall Toorak

Lowther Hall Anglican Grammar
School

Luke Howard

Lunin Show Productions

Luxcel Entertainment

Madeleine Nicole Hale

Melbourne Bach Choir

Melbourne Chamber Orchestra

Melbourne Girls Grammar

Melbourne International Arts
Festival

Melbourne International Jazz
Festival

Melbourne Symphony Orchestra

Melbourne Welsh Male Choir

Melbourne Youth Orchestras

Methodist Ladies' College

Mount Hira College

Multicultural Arts Victoria

Musica Viva Australia

Musical Association of Australia

Musicult Inc

Paul Dempsey

Penney and Logan

Pinchgut Opera

Punjab Ventures

Rovitan

Royal Melbourne Hospital
Foundation

Ruyton Girls School

St Catherine's School

St. Michael's Grammar School

Stanley Yohanes

Sydney International Piano
Competition

Tasmanian Symphony Orchestra

The Herald and Weekly Times

The Mac.Robertson Girls' High
School

The Song Company

University of Melbourne

Victoria Chorale

Victorian College of the Arts
Secondary School

Victorian Curriculum & Assessment
Authority

Wantirna College

Welsh Choir of Victoria

Wesley College

Westbourne Grammar School

WME Asia Pacific

Australian and World Premieres

Composer	Title	Date
Dai Fujikura	<i>Deliquesce</i> °	03/07/2018
Tim Dargaville	<i>After and Before</i> +	10/07/2018
Jeremy Haladyna	<i>Precious First Rat</i> °	12/07/2018
Daniel Dorff	<i>Spirit of the Hudson</i> °	12/07/2018
Jacob Abela	<i>Fixations</i> °	13/08/2018
Samuel Smith	<i>Species</i> °	13/08/2018
Samantha Wolf	<i>Want Not</i> °	13/08/2018
Franz Liszt	<i>Über allen Gipfeln ist Ruh,</i> <i>S.306</i> °	14/08/2018
Krisna Setiawan	<i>Ladrang Basa Priyo</i> +	23/08/2018
Livia Teodorescu-Ciocanea	<i>Aphrodite</i> +	31/08/2018
Louis Chiappetta	<i>This Is No Less Curious III</i> +	04/09/2018
Iskender Ozan Toprak	<i>Bulut</i> +	07/09/2018
Iskender Ozan Toprak	<i>Duman</i> +	07/09/2018
Iskender Ozan Toprak	<i>Firtina</i> +	07/09/2018
Iskender Ozan Toprak	<i>Kivilcim</i> +	07/09/2018
Iskender Ozan Toprak	<i>Rüzgar</i> +	07/09/2018
Iskender Ozan Toprak	<i>Simsek</i> +	07/09/2018
Joseph O'Connor	<i>3 Short Pieces for String Quartet</i> +	24/09/2018
Connor D'Netto	<i>small, round, strangely furry, with spots, stripes and other patterns</i> +	25/09/2018
Catherine Likhuta	<i>Tangle and Tear</i> +	25/09/2018
Peggy Polias	<i>Night Dances</i> +	25/09/2018
Shane Lestideau	<i>Snow in Summer</i> °	09/10/2018
Alice Chance	<i>'Australian Seasons' Sonata</i> +	09/10/2018
Andrew Ford	<i>String Quartet No.6</i> +	08/11/2018
Brett Dean	<i>From Melodious Lay (A Hamlet Refraction)</i> °	09/11/2018
Joseph Tawadros	<i>Constellation</i> °	09/11/2018
Eric Deluca	<i>Interlude</i> +	10/11/2018
Eric Deluca	<i>Loop 1</i> +	10/11/2018
Eric Deluca	<i>Loop 2</i> +	10/11/2018
Mark Anthony Turnage	<i>Cortege for Chris</i> °	14/11/2018
Lachlan Skipworth	<i>The Crossing</i> +	14/11/2018
Georgie Darvidis & Benjamin Harrison	<i>Transmigrations</i> +	26/11/2018
Katy Abbott Kvasnica	<i>Aspects of Dreaming 2</i> +	03/12/2018
Stefan Cassomenos	<i>Méodies Françaises</i> +	03/12/2018
Daniel Rojas	<i>Idilico</i> +	24/01/2019
Fernando Lerman	<i>De Los Tres Barrios</i> +	08/02/2019
Astor Piazzolla	<i>Suite del Angel</i> +	08/02/2019
Matthew Laing	<i>Out of Hibernation</i> +	28/02/2019
Daniel Schynder	<i>Piano Trio</i> °	01/03/2019
Thomas Green	<i>Antique Dance Variations</i> +	04/03/2019
Leo Brouwer	<i>Acerca del cielo, el aire y la sonrisa</i> °	05/03/2019
Chrystian Dozza	<i>Ginastera's Dream</i> °	05/03/2019

Composer	Title	Date
Heitor Villa-Lobos	<i>String Quartet No.5, W263</i> °	05/03/2019
Heather Shannon	<i>Ricochet</i> + <i>Ricochet from a Distance</i> +	05/03/2019
Gemma Turvey	<i>Piano Concerto No.1 Banrion</i> +	14/03/2019
Wilhelm Stenhammar	<i>4 Stockholm Poems, Op.38</i> °	19/03/2019
Wilhelm Stenhammar	<i>Sensommarnätter (Nights of Late Summer), Op.33</i> °	19/03/2019
Samuel Smith	<i>Dark Colours</i> +	26/03/2019
Lachlan Skipworth	<i>Partita for solo clarinet</i> +	26/03/2019
David Maslanka	<i>Wind Quintet No.4</i> °	26/03/2019
Melody Eotvos	<i>Street of the Four Winds</i> +	28/03/2019
Nico Muhly	<i>Motion</i> °	29/04/2019
Barry Conyngham	<i>One Small Step</i> +	02/05/2019
Louis Andriessen	<i>Searching for Unison</i> °	03/05/2019
Louis Andriessen	<i>Langzame Verjaardag</i> °	04/05/2019
Mark Holdsworth	<i>Cri de coeur</i> +	04/05/2019
Lior Attar & Ade Vincent	<i>Forever Singing Winter into Spring</i> +	04/05/2019
Louis Andriessen	<i>Vermeer Pictures</i> °	04/05/2019
Clark Rundell	<i>Vermeer Pictures</i> °	04/05/2019
Michelle Lou	<i>Untitled three-part construction</i> °	14/05/2019
Audrey Powne	<i>Believe It</i> °	17/05/2019
Audrey Powne	<i>Fire at Will</i> °	17/05/2019
Audrey Powne	<i>Place</i> °	17/05/2019
Audrey Powne	<i>Still Here</i> °	17/05/2019
Audrey Powne	<i>Taboo</i> °	17/05/2019
Deborah Cheetham	<i>Song for Dulka Warngiid</i> +	27/05/2019
Richard Mills	<i>Piano Trio</i> +	29/05/2019
Thomas Ades	<i>Berceuse from 'The Exterminating Angel'</i> °	03/06/2019
Peteris Vasks	<i>Viatore for 11 solo strings</i> °	04/06/2019
Rudresh Mahanthappa	<i>Magically Delicious</i> °	11/06/2019
Yihan Chen	<i>still</i> °	11/06/2019
Linda Kouvaras	<i>Until it's gone</i> +	11/06/2019
Caerwen Martin	<i>What Lies Beneath</i> +	11/06/2019
Matthew Horsley, Carolyn Schofield & Ryan Williams	<i>Collaborative Work 1</i> +	13/06/2019
Carolyn Schofield	<i>Residue of Structure</i> +	13/06/2019
Carolyn Schofield	<i>Solo</i> +	13/06/2019
Jane Hammond	<i>Noisy Friarbirds in the Silky Oaks</i> +	21/06/2019
Leanne Bear	<i>Nôtre Gothique</i> +	24/06/2019
Scott McIntyre	<i>TEETH!</i> +	24/06/2019
Filippo Tomassini	<i>Conserto vago di balletti, volte, correnti ed gagliarde, con la loro canzone alla francese</i> °	25/06/2019
Lera Auerbach	<i>par.ti.ta for solo violin</i> °	25/06/2019

+ World premiere ° Australian premiere

Strategic Framework and Strategic Pillars

Our Vision

A place where bold music makers and passionate audiences make profound connections that resonate for a lifetime.

Our Mission

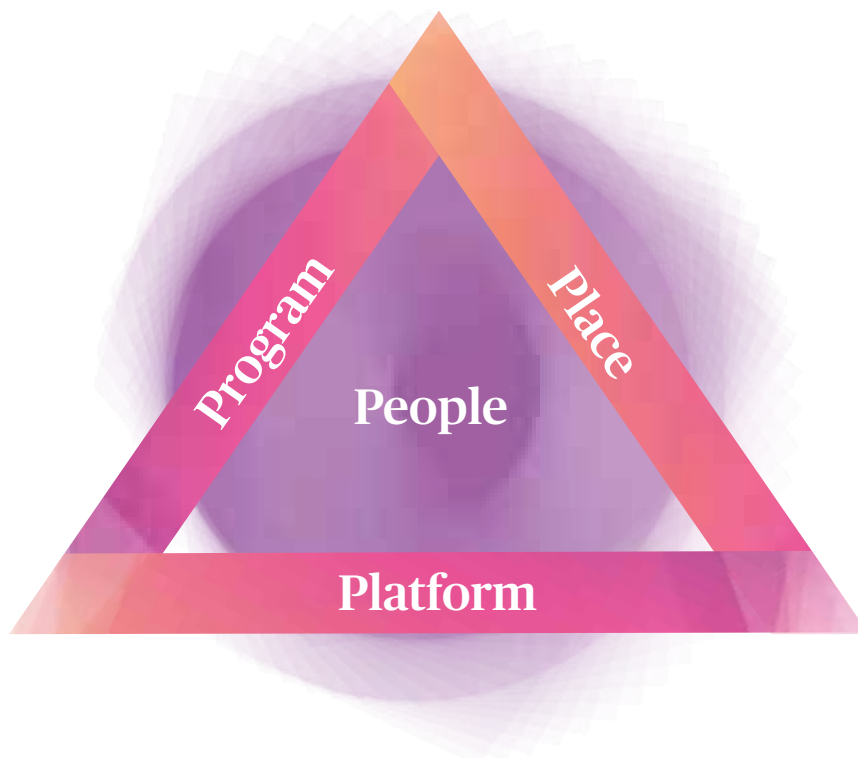
Enabling transforming performances in and beyond the Centre.

Purpose

Melbourne Recital Centre's objective is the promotion of live music through the presentation and commissioning of musical works, performances and programming, and the promotion of the Centre.

It is the custodian for the State-owned building and is responsible for planning and managing the operations of the Centre as a purpose-built venue and assists in raising funds to support the delivery of these objectives.

Melbourne Recital Centre represents and promotes the interests of music patrons, users and the music community of Victoria including the identification of relevant infrastructure needs and the appropriate future planning. It presents opportunities for nurturing emerging Australian creative and performing artists. Its forward programming strategy is designed to attract audiences who reflect the broad geographic, economic, social and cultural diversity of Victoria, as well as interstate and international visitors.



STRATEGIC PILLARS

Program, People, Place and Platform support and inform all our work and future plans.

Achievements 2018–2019



10th Birthday Gala Concert

Program

Objective	We present, produce and promote a program that is distinctive and diverse, and contributes to Melbourne's position as a cultural world leader and the creative capital of Australia.
Impact	The programs we curate alongside our hire, learning and digital activities are central to our expanded sense of purpose. The program is the driving force of the Centre's goal to actively contribute to a more inclusive, cohesive society.
Key Strategies	<ul style="list-style-type: none"> • Connect audiences within inspiring high-quality live music on site, off-site and online • Deliver programs that challenge the status quo and extend and enrich audiences, art forms and artists. • Enrich Victoria's cultural ecosystem through collaboration and partnerships which enable learning, access and engagement opportunities
Actions	<ul style="list-style-type: none"> • 10 new works commissioned for our 10th Anniversary. Four were performed in 2018-2019 including the Merlyn Myer Music Commission, <i>Song for Dulka Warngiid</i> by Deborah Cheetham AO. • The Centre developed its Learning and Access Strategy. The Centre made a call for proposals for new works for young people and families as part of the Betty Amsden Kids & Family program. • The Centre presented the biennial <i>Yinga-Bul</i> Festival in July 2018 and presented two events as part of the biennial <i>Yirramboi</i> Festival in May 2019. • The Centre hosted the finals of the Melbourne International Chamber Music Competition in partnership with Musica Viva and ANAM.



People

Objective	People - artists, audiences, stakeholders and the wider community - are at the core of what we do.
Impact	The Centre contributes to Victorians' sense of wellbeing and is a leading public asset. The organisation's reputation means the world's best musicians are eager to perform here and inspires a community of committed supporters and stakeholders.
Key Strategies	<ul style="list-style-type: none"> • Deepen engagement with our communities to ensure relevance, leadership and social impact through creativity, wellbeing and lifelong learning. • Harness advocacy from our community to excite prospective audiences and supporters • Embed objectives of diversity, enhanced wellbeing and social cohesion in everything we do.
Actions	<ul style="list-style-type: none"> • The 10th Anniversary of the Centre's opening was celebrated with a Gala Birthday Concert. An ongoing series of videos and articles tell the stories of Melbourne Recital Centre's people and history. • The Centre has distributed more than 2,300 \$10 tickets to date as part of its initiative to welcome first-time concert-goers. • A framework to measure the impact of the Centre's activities has been developed and tested and is being implemented. • After a review of annual giving and acquisition activities, the Centre launched the Name-A-Seat (seat plaque) program and 10th Anniversary giving programs, such as \$150k for new commissions and \$250k for a new Steinway C.



Paul Kelly, 13 Ways to Look at Birds

Place

Objective	Melbourne Recital Centre is a superb place to make and experience music - on site, off-site and online.
Impact	We are at the live music heart of Victoria, contributing to increased visitation, increased vibrancy and a stronger sense of place for Southbank.
Key Strategies	<ul style="list-style-type: none"> • Steward Melbourne's best and most distinctive live music venue, and advocate for its future. • Make the most of our position in the heart of the Melbourne Arts Precinct and work with traditional owners, partners and neighbours to invest in the Precinct's continued vibrancy. • Have infrastructure in place which supports and deepens engagement beyond our program.
Actions	<ul style="list-style-type: none"> • Ongoing collaboration with precinct organisations to engage the Southbank and Melbourne community with the precinct. • Ongoing development of a delivery model for events at the Melbourne Conservatorium of Music. The Centre will present performances in the Conservatorium's Hanson Dyer Hall in November 2019.



Melbourne Recital Centre Staff, December 2018

Platform

Objective	We strive for business excellence to ensure success and agility through continuous improvement. We are a learning organisation with a passionate and committed team.
Impact	The Centre is a model that others seek to emulate and stakeholders point to with pride.
Key Strategies	<ul style="list-style-type: none"> • Support our people to grow and flourish as part of a diverse, passionate and committed team that is as creative and inspiring as the venue itself. • Mature our business model in line with research, evidence and best of sector practice. • Ensure our processes, facilities and use of resources are fit for purpose. • Maximise partnership and collaboration opportunities to support growth and sustainability.
Actions	<ul style="list-style-type: none"> • Completed venue hire pricing model analysis. • Continue harnessing the capability of Tessitura cloud platform. • Redefined the event delivery model while building corporate knowledge. • Embed digital capabilities for the Centre as business as usual. • Begun the piano replacement program with the purchase of a new Steinway C. • Secured additional funding to support 10th Anniversary initiatives including commissions and the next piano replacement. • Implemented Public Fund strategy of active acquisition for endowment through bequest and naming rights campaigns. • Completed replacement of our finance system replacement further utilising cloud platform. • Continued core technology reform of IT Transformation Project with full network infrastructure upgrade and servers migration to cloud platform. • Continued Policies refresh project with a third of proposed framework completed during the year. • Undertook asset condition audit to support development of Asset Management Strategy.

‘The sound and beauty of this precious venue again leaves me in awe and feeling privileged to be able to enjoy it.’

Audience Member



Development Impact Report

Donors help to bring music into all our lives

Melbourne Recital Centre's passionate community of donors and sponsors continued to grow in 2018-19, with more than 8,000 generous music-lovers making gifts to support the Centre's wide range of musical, artist development, and learning and access programs. This generous financial support played a crucial role in enabling the Centre to present a diverse program that helped to bring music into the lives of 218,000 people. This includes nearly 8,500 people from across Victoria who may otherwise have missed out, and people accessing the Centre's library of digital video content.

Philanthropic support helped to ensure our community's vibrant musical future by creating opportunities for nearly 300 young people to participate in a range of unique learning and artistic development activities; including performance opportunities in Elisabeth Murdoch Hall as part of our Bach and Great Romantics competitions, participation in our Accelerando mentoring program,

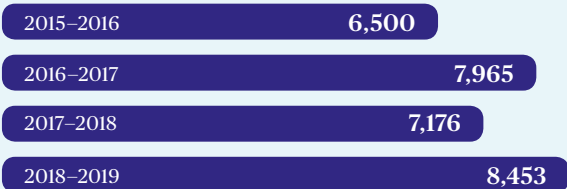
and even the chance to work one-on-one with some of the world's greatest musicians in an intimate master class setting.

Alongside the annual program of 345 self-presented events, individual donors and philanthropic trusts also played a crucial role in bringing to life a number of special initiatives for the Centre's 10th Anniversary, including a suite of 10 new commissions from Australian and international composers, as well as raising the funds to purchase a new Steinway Model C grand piano for the Primrose Potter Salon.

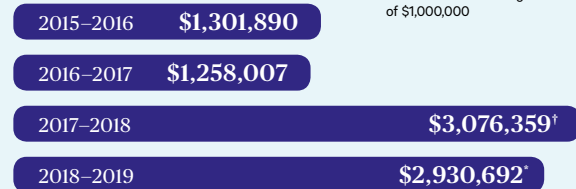
This year also saw the launch of our new seat dedication program, which has so far provided 39 music-lovers with a platform to express their love of music, while supporting the work we do, by naming a seat in Elisabeth Murdoch Hall.

We wish to sincerely thank all our supporters. Their generous philanthropic gifts and sponsorship enriches the lives of so many people in our community, from musicians and seasoned music-lovers, to those who are just discovering the joy of music for the first time. Thank you.

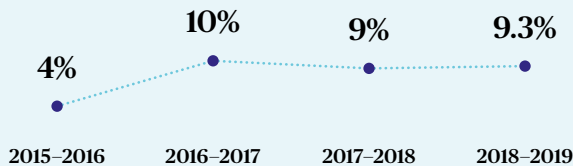
Number of Donations Made



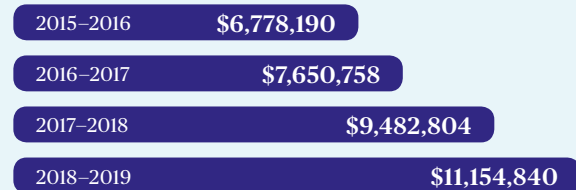
Development income



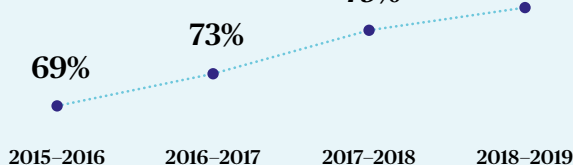
Major gift supporters making multi-year commitments



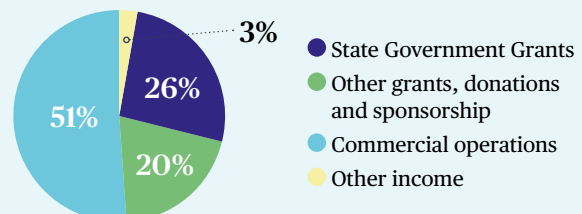
Value of public fund



Renewing major gift donors



Melbourne Recital Centre 2018-2019 Income



The Impact of the Centre’s Donor and Partner Community in 2018-19

Program Area	2018–19 Indicator	
<p>A vibrant and diverse musical program</p>	<p>345 self-presented concerts</p> <p>100 artists made their debut performance at the Centre</p> <p>89 Australian and World Premiere performances of new works</p> <p>218,400 attendances at concerts and events</p> <p>One Helpmann award for the 2019 Signature Event, Gabrieli Consort and Players</p>	
<p>Enriching artist development opportunities</p>	<p>10 new works commissioned from emerging and established Australian and international composers, including Deborah Cheetham AO’s <i>Song for Dulka Warngiid</i></p> <p>Nine participants in the <i>Accelerando</i> mentoring program for talented high-school aged music students</p> <p>18 finalists given the opportunity to take part in Bach and Great Romantics competitions</p>	
<p>Empowering learning and access programs</p>	<p>4,048 participants of all ages given the opportunity to experience transformative musical performances through the Centre’s access program</p> <p>282 participants in learning activities, from early childhood music sessions, to advanced pre-professional master classes</p> <p>1,200 attendees at <i>Music for Victoria</i> regional touring concerts</p> <p>14% of Centre Presents content captured for online viewing on the <i>Live from Melbourne Recital Centre</i> digital platform, with 3,361 individual views</p> <p>94 Beyond the Centre events</p>	

Transformative gift from Lady Primrose Potter AC

In September 2018, the Centre was delighted to rename the smaller of our performance spaces in recognition of a transformative gift made to the Centre made by Lady Primrose Potter AC. Lady Potter’s extraordinary contribution represents one of the most substantial gifts ever received from an individual to Melbourne Recital Centre and endows the unique performance platform provided by the Primrose Potter Salon for Australian artists at all career stages.

Steinway Campaign

In June 2019, we were thrilled to announce the success of a \$250,000 special fundraising campaign to facilitate the purchase of a new Steinway Model C grand piano for the Primrose Potter Salon.

Melbourne Recital Centre is grateful for the generous philanthropic support we received from the 48 donors to the Steinway Giving Circle, a significant grant from Gandel Philanthropy, who provided matched funding of \$100,000, and additional gifts from nearly 1,300 other individuals in our community.

This new instrument, which will arrive at the Centre in early 2020, will complement the existing Model C piano currently used in the Primrose Potter Salon and will greatly expand the Centre’s musical and education possibilities.

ACCESS TO THRILLING MUSIC AND LEARNING OPPORTUNITIES FOR EVERYBODY

Supported by the Elisabeth Murdoch Creative Development Fund and the Mary Vallentine Limitless Stage Fund, donors to our learning and access programs help to share the music by bringing high-quality music and learning opportunities to people from all walks of life.

(\$40,000+)

Dr Geraldine Lazarus & Mr Greig Gailey
(*Regional Touring and Outreach Leadership Supporters*)

(\$30,000+)

Krystyna Campbell-Pretty AM
Lady Marigold Southey AC

(\$20,000+)

Kim Williams AM
(*Mary Vallentine Limitless Stage Fund*)

(\$10,000+)

Annamila Pty Ltd
Linda Herd

(\$4000+)

The Betty Amsden Foundation
Jack & Hedy Brent Foundation

The John & Jennifer
Brukner Foundation

Helen & Michael Gannon

Kathryn Greiner AO
(*Mary Vallentine Limitless Stage Fund*)

Silvia & Michael Kantor
Susan Thacore

(\$2500+)

Kaye Birks in memory of
David Anne Burgi & Kerin Carr
Maria McCarthy
Margaret Taylor

(\$1000+)

Anonymous (4)
Keith & Debby Badger
John & Mary Barlow
Jane Bloomfield
Helen Brack

Bill Burdett AM & Sandra Burdett

Christine & Michael Clough

Paul Donnelly &
Brigitte Treutenaere

Maria Hansen

Christine Haslam

Jenny & Peter Hordern
(*Mary Vallentine Limitless Stage Fund*)

In memory of Beryl Hooley
John Howie AM & Dr Linsey Howie

Louise Kornman

Prof John Langford AM &
The Late Christina McCallum

Cathy Lowy
(*Mary Vallentine Limitless Stage Fund*)

Sally MacIndoe

Ann Miller

Dennis & Fairlie Nassau

Greg Shalit & Miriam Faine

The Ullmer Family Foundation
(*Mary Vallentine Limitless Stage Fund*)

Mary Vallentine AO

Vivian Wei Wang
Mark & Jane Wilson
Audrey Zibelman

NURTURING ARTISTIC DEVELOPMENT – FOSTERING A BRIGHT MUSICAL FUTURE

Supported by the Elisabeth Murdoch Creative Development Fund, donors who support our enriching artist development programs help to create a wide range of unique opportunities for local musicians, and help to ensure a vibrant musical future for Victoria and beyond.

Betty Amsden Kids and Family Program Benefactor

The Late Betty Amsden AO DSJ

(\$20,000+)

Margaret S Ross AM &
Dr Ian C Ross
(*Artist Development Leadership Supporters*)

(\$10,000+)

Peter Jopling AM QC
(*Artist Development Leadership Supporter*)

Majlis Pty Ltd

Angelina & Graeme Wise

(\$4000+)

Annamila Pty Ltd
Andrew & Theresa Dyer
Vivienne Ritchie
Vivian Wei Wang
Lyn Williams AM

(\$2500+)

Anonymous (1)

(\$1000+)

Anonymous (1)
Peter J Armstrong
Lin Bender AM
In memory of Beryl Hooley
In memory of The
Late Harry Johnson
Martine Letts
Ian & Gill McDougall
Dr Richard Mills AM

(\$500+)

Australian Bach Society
Frederic & Karen Pomeranz

GIVING CIRCLES

Melbourne Recital Centre Giving Circles are passionate and like-minded groups of donors who come together to collectively celebrate their love of music by supporting special projects.

Ensemble Giovane – Leadership Donors in support of Master classes & young artist development

(\$10,000+)

Jim Cousins AO & Libby Cousins
YMF Australia

(\$7500+)

George & Laila Embelton

(\$5000+)

Hon Susan Crennan AC QC
& Dr Michael Crennan QC

Jo Fisher

Lyndsey & Peter Hawkins

Igor Zambelli & Jenny Zambelli

(\$3000+)

Anonymous (1)
Christine Sather
Dr Cherilyn Tillman & Tam Vu

(\$1000+)

Peter J Armstrong
Bailey-Lord Family
Mary Beth Bauer
Fiona Bennett
Zoe Brinsden
Kathryn Fagg AO
Dr Jane Gilmour OAM &
Terry Brain
Prof Andrea Hull AO
Liane Kemp
Simon Le Plastrier
Norene Leslie McCormack
Rosemary O'Connor
Laura Thomas

(\$500+)

Anonymous (1)
Dianne Jacobs

Legal Friends of Melbourne Recital Centre Legal Friends Inaugural Patrons

The Hon Justice Michelle
Gordon AC & The Hon
Kenneth M Hayne AC QC

(\$10,000+)

The Hon Justice Michelle
Gordon AC & The Hon
Kenneth M Hayne AC QC

(\$4000+)

Anonymous (1)
Naomi Golvan & George Golvan QC
Peter B Murdoch QC &
Helen Murdoch
Maya Rozner & Alex King

(\$2500+)

Anonymous (2)
Colin Golvan AM QC &
Dr Deborah Golvan
Peter J Stirling & Kimberley Kane

(\$1000+)

Anonymous (3)
Marcia & John K Arthur
James Barber
Peter Bartlett
Annette Blonski &
Martin Bartfeld QC
The Hon Alex Chernov AC QC
& Elizabeth Chernov

Christine Clough

The Hon Julie Dodds-Streeton

Timothy Goodwin

Robert Heathcote &
Meredith King

The Hon Peter Heerey AM QC

& Sally Heerey

Judge Sara Hinchey &
Tom Pikusa

John Howie AM & Dr Linsey Howie

Pandora Kay & John Larkins

Anthony J & Philippa M Kelly

Maryanne B Loughnan QC

Banjo McLachlan & Paul Mahony

Elizabeth O'Keefe

Ralph & Ruth Renard

Meredith Schilling

Michael Shand AM QC

Tom Smyth

(\$500+)

Elizabeth Boros
Leslie G Clements
The Hon Hartley Hansen QC
& Rosalind Hansen
The Hon David L Harper AM

Medical Friends of Melbourne Recital Centre

(\$2000+)

Dr Charlotte Slade &
Assoc Prof Sebastian King

(\$1000+)

Mr Phillip Antippa &
Dr Tracey Huntley
Michael Bennett & Kate Stockwin
Prof Rod Hunt & Michael Sharpe
Dr Jean McMullin &
Dr Catherine Brennan
Dr John F Mills

Seat Dedications

Annamila Pty Ltd
Lowina Blackman
John Calvert-Jones AM &
Janet Calvert-Jones AO
The Hon Mary Delahunty
Kathryn Fagg AO
Ronald Farren-Price AM &
Margaret Farren-Price
Kristin Gill & family
Colin & Deborah Golvan
Nance Grant AM MBE
Brenda Hamilton & family
Catherine Heggen
Hans & Petra Henkell
Kathy Horadam

Anne Kantor AO & The Late

Dr Milan Kantor OAM

Alex King & Sebastian King

Diana Lempriere

Cathy Lowy

Evelyn Pose

Katherine Rechtman

Ralph & Ruth Renard

Kiera Stevens

Peter J. Stirling

Ian Suren

Jenny Tatchell

Friends of David Tong

Mary Vallentine AO

Mary Waldron

Vivian Wei Wang

Encore Bequest Program – A Lasting Legacy

Anonymous (3)

The Late Betty Amsden AO DSJ

Jenny Anderson

Barbara Blackman AO

Jennifer Brukner

Ken Bullen

Jim Cousins AO & Libby Cousins

Dr Garry Joslin

Jane Kunstler

Janette McLellan

Elizabeth O'Keefe

Penelope Rawlins

Prof Dimity Reed AM

Sandy Shaw

The Estate of Beverley Shelton &
Martin Schönthal

Mary Vallentine AO

List of patrons as at 30 July 2019

Our Partners

Founding Patron

The Late Dame Elisabeth Murdoch AC DBE

Board Members

Prof Andrea Hull AO, Chair
Peter Bartlett
Stephen Carpenter
Joseph Corponi

The Hon Mary Delahunty
Paul Donnelly
Assoc Prof Jody Evans

Margaret Farren-Price
Eda Ritchie AM
Audrey Zibelman

Founding Benefactors

The Kantor Family
The Calvert-Jones Family
Lyn Williams AM
Helen Macpherson Smith Trust
Robert Salzer Foundation
The Hugh Williamson Foundation

Life Members

Lin Bender AM
Deborah Cheetham AO
Jim Cousins AO
Kathryn Fagg AO
Margaret Farren-Price &
Ronald Farren-Price AM

Richard Gubbins
Penny Hutchinson
Julie Kantor
Jordi Savall
Mary Vallentine AO

Principal Government Partner



Business Partner

LEARNING PARTNER



THE UNIVERSITY OF
MELBOURNE

Supporting Partners



Design
Branding
Digital



Kooyong
Group



nous group



Program Partners



ABC
Classic FM
abc.net.au/classic



SUPPORTED BY
APRA
AMCOS



BACH TRINITY 2012



lendlease



STEINWAY & SONS



Uniting AgeWell



VIKING



VICTORIA
State Government

Education
and Training

Foundations

Annamila



The
WILLIAM BUCKLAND
FOUNDATION
WYF



PHILANTHROPY

HANSEN LITTLE
FOUNDATION



Helen Macpherson Smith Trust

NEWSBOYS
FOUNDATION



THE MARIAN &
E.H. FLACK TRUST



UKARIA
Foundation



HAZEL PEAT
CHARITABLE TRUST

THE ARANDAY
FOUNDATION

THE SAMUEL NISSEN
FOUNDATION

THE JACK & HEDY
BRENT FOUNDATION

THE SENTINEL
FOUNDATION

THE CALVERT-JONES
FOUNDATION

THE VIZARD
FOUNDATION

THE PEGGY &
LESLIE CRANBOURNE
FOUNDATION

THE HUGH WILLIAMSON
FOUNDATION



Lin Bender AM



Deborah Cheetham AO



Jim Cousins AO



Kathryn Fagg AO

Margaret Farren-Price &
Ronald Farren-Price AM

Richards Gubbins



Penny Hutchinson



Julie Kantor



Jordi Savall



Mary Vallentine AO

Life Members

Lin Bender AM

Lin Bender AM was the Centre's Strategic Development Consultant prior to opening, responsible for bringing together key stakeholders to develop Melbourne Recital Centre's all-important design brief and her contribution to music in Melbourne has been vast.

Deborah Cheetham AO

Yorta Yorta woman, singer, composer, artistic director and educator Deborah Cheetham AO is passionate about the presence of First Peoples music and storytelling in the Centre's program. Her composition *Song for Dulka Warngiid* was the 2019 Merlyn Myer Music Commission and is inspired by the beautiful tapestry hanging in the Centre's Level 2 Foyer.

Jim Cousins AO

Jim Cousins AO chaired the Centre during its design, construction and early operation, advocating for the highest standards of quality in the build and facilitated early partnerships that supported sustainability. It is no exaggeration to say that without Jim, Melbourne Recital Centre would not be what it is today.

Kathryn Fagg AO

Kathryn Fagg AO chaired the Centre from 2010-19, presiding over much of the Centre's first 10 years of growth as the number of events grew to more than 600 per year and attendance increased to well over 200,000. She has been a great champion of the Centre at every level - as a concert-goer, donor and advocate.

Margaret Farren-Price & Ronald Farren-Price AM

Margaret Farren-Price and Ronald Farren-Price AM are beloved friends of the Centre, supporters of music and an inspiration to all who know them. They are devoted advocates of the Centre within their local and international music networks, and regular concert-goers whose commitment to music in Melbourne, and to generations of young Australian musicians as teachers and mentors is outstanding.

Richard Gubbins

Without the audience, musicians are just practicing in an empty room. Audience-member Richard Gubbins has achieved a remarkable record, attending on average, three performances a week, every week since the Centre opened. He can be seen in the front row of the Primrose Potter Salon several times a week and also volunteers many hours for Key Presenting Partners Australian National Academy of Music (ANAM) and Melbourne Chamber Orchestra.

Penny Hutchinson

Penny Hutchinson has been one of Melbourne Recital Centre's greatest advocates, from before its doors opened, to now. As Director of Arts Victoria from 2000-2013, she was instrumental in the Centre's development, design, funding and business model. As a musician herself, Penny has had a special, enduring affinity with the Centre that continues to this day.

Julie Kantor

Julie Kantor was one of the Centre's longest-serving Board Directors and a Founding Benefactor of the Centre's Public Fund. Through her philanthropy, she has helped establish many of the Centre's programs including the biennial Yinga-bul Festival, Great Romantics Competition, Share the Music and the Elisabeth Murdoch Creative Development Fund, in honour of her grandmother Dame Elisabeth Murdoch AC DBE.

Jordi Savall

Jordi Savall is an exceptional figure in today's music world, as a concert performer, teacher, researcher and creator of new musical and cultural projects. His performances at the Centre have won three Helpmann Awards and have transformed audiences each and every time. The impact he has had on the performance of historical music across the globe is exceptional.

Mary Vallentine AO

Mary Vallentine AO served as CEO from 2010-16 and perhaps more than anyone, represents the heart and soul of Melbourne Recital Centre. Under her leadership, the Centre's presentations increased in diversity and she initiated a focus on community engagement, learning and access, regional performance and digital programming. A lasting mark of her inspiring leadership is the Centre's culture of collaboration, and the warm, welcoming customer service for which the Centre is known.

Our People

Board of Directors



Prof Andrea Hull AO



Kathryn Fagg AO



Peter Bartlett



Stephen Carpenter



Joseph Corponi



The Hon Mary Delahunty



Paul Donnelly



Assoc Prof Jody Evans



Margaret Farren-Price



Eda Ritchie AM



Margaret Taylor



Audrey Zibelman

The Late Dame Elisabeth Murdoch AC DBE, Founding Patron

Professor Andrea Hull AO, Chair from 10 June 2019 Appointed 10 June 2019

Andrea Hull AO was Director and Chief Executive Officer of the Victorian College of the Arts (VCA) from 1995 to 2008, leading major capital works projects and fundraising campaigns. Professor Hull made a significant contribution to Victoria's cultural landscape and Melbourne's Arts Precinct. Currently chair of the ABC Advisory Council, Professor Hull has held board positions across the breadth of Australia's cultural and not-for-profit sectors, taking in the Florey Institute, National Museum of Australia, Breast Cancer Network and Melbourne Forum. She is Professor Emeritus of the University of Melbourne and consults widely on problem solving, cultural management and executive coaching.

Kathryn Fagg AO, Chair from 1 July 2018 to 2 March 2019

Appointed 20 September 2010. Reappointed 22 April 2013 and 3 March 2016. Retired 2 March 2019

President of Chief Executive Women (CEW); Director and Chairman-elect of Boral Limited; Non-Executive Director of Incitec Pivot Limited; Non-Executive Director Djerriwarrh Investments Limited; Chair of the Breast Cancer Network Australia; Former Board Member, Reserve Bank of Australia; Former President FMCG Asia Pacific, Linfox; Former President, Asia, BlueScope Steel; Former Managing Director, Banking Products, ANZ; Former Chairman, Parks Victoria.

Peter Bartlett

Appointed 3 March 2012. Reappointed 3 March 2018

Partner Minter Ellison: Treasurer, Member Management Board and Council, International Bar Association and Liaison to its Asia Pacific Forum; Chair Advisory Board, Centre for Advancing Journalism, The University of Melbourne; Former Chairman Minter Ellison; Past President Barwon Heads Golf Club; Life Member Melbourne Press Club; Former Chair World Services Group; Former Member State Sports Centres Trust and State Sports & Aquatic Centre Trust.

Stephen Carpenter,

Acting Chair from 3 March 2019 to 9 June 2019

Appointed 3 March 2012. Reappointed 3 March 2018

Partner, KPMG; Fellow, Taxation Institute of Australia; Member, Institute of Chartered Accountants; Member, Australian Institute of Company Directors, Foundation Board Member, Contemporary Arts Precincts Ltd.

Joseph Corponi

Appointed 3 March 2012. Reappointed 6 March 2017

Former Director, Asylum Seekers Resources Centre; Former Director, Gould Group; Former Director, International Council of Museums (Australia).

The Hon. Mary Delahunty

Appointed 1 July 2016. Reappointed 18 March 2019

Non-Executive Board Member of McClelland Sculpture Park and Gallery; Non-Executive Board Member of the National Library of Australia; Graduate of the Australian Institute of Company Directors; Former Minister for the Arts, Victoria Government; Former Minister for Planning, Victorian Government; Former Minister for Education, Victorian Government; Non-Executive Board Member of The Centre for Advancing Journalism at The University of Melbourne; Former interviewer and presenter on ABC's *7.30 Report* and *Four Corners*; Gold Walkley Award Winner for international reporting.

Paul Donnelly

Appointed 22 June 2015. Reappointed 3 March 2018

Member of the Institute of Chartered Accountants (England & Wales); Member of Australian Institute of Company Directors; Bachelor of Science (Hons), Advanced Management Program, Harvard University.

Associate Professor Jody Evans

Appointed 25 June 2018

Associate Dean (Engagement) and Associate Professor in Marketing at Melbourne Business School. Jody completed a PhD in International Marketing at Monash University in 2000. She also has an Arts degree in English Literature and Psychology, and a Marketing (Honours) degree from Monash University. Jody is a former board member of the Shepparton Art Museum Foundation and the Public Galleries Association of Victoria.

Margaret Farren-Price

Appointed 3 March 2012. Reappointed 3 March 2018

Founder and Artistic Director, Impresaria Piano Series (1990-2011); Board Member, Piano Landmarks; Private piano studio teaching.

Eda Ritchie AM

Appointed 14 July 2014. Reappointed 6 March 2017

Long-time community service leader in education, government and the arts; University of Melbourne Council Member (2005-2014); Chairman of Victorian College of the Arts Foundation; Trustee of the R E Ross Trust; Previously inaugural Chairman and Board member of Port Fairy Spring Music Festival; Board member of Melbourne University Publishing; Rural Finance Corporation; Howard Florey Institute; various government organisations involving natural resource management, health and local government.

Margaret Taylor

Appointed 7 August 2017. Resigned 1 February 2019

Group Company Secretary of BHP Billiton; Former Group Company Secretary and Head of Group Governance, Commonwealth Bank Australia; Former Regional Counsel Australia/Asia, BHP Billiton; Former Partner of Minter Ellison; Fellow of Governance Institute Australia; AICD Graduate

Audrey Zibelman

Appointed 25 June 2018

Managing Director and Chief Executive Officer, Australian Energy Market Operator (AEMO). Member CSIRO Energy Advisory Committee; Board Member Melbourne Energy Institute's Advisory Board. Previous roles include Commissioner and Chair of the New York State Public Service Commission (NYPSC); Advisor to Secretary of Energy for the US Department of Energy; Advisory Council, New York State Energy Research and Development Authority; New York State Planning Board; New York State Emergency Planning Council; Founder and past President and Chief Executive Officer of Viridity Energy, Inc.

Our People, Committees & Executive Management

BOARD COMMITTEES

Governance, Audit and Risk Committee

Stephen Carpenter, Chair (INDEPENDENT MEMBER)

Joseph Corponi (INDEPENDENT MEMBER)

Paul Donnelly (INDEPENDENT MEMBER)

Kathryn Fagg AO (INDEPENDENT MEMBER)
Retired 2 March 2019

Andrea Hull AO (INDEPENDENT MEMBER)
Appointed 10 June 2019

Remuneration and Nominations Committee

Andrea Hull AO, Chair Appointed 10 June 2019

Kathryn Fagg AO, Chair Retired 2 March 2019

Peter Bartlett

Stephen Carpenter

Executive Committee of Management

Andrea Hull AO, Chair Appointed 10 June 2019

Kathryn Fagg AO, Chair Retired 2 March 2019

Peter Bartlett

Stephen Carpenter

Joseph Corponi

The Hon. Mary Delahunty

Paul Donnelly

Margaret Farren-Price

Eda Ritchie AM

Margaret Taylor Resigned 1 February 2019

Foundation Advisory Committee

This committee comprised of Board Members and volunteer members of the Centre's community was established in August 2018 to consolidate the activities of Centre's Development and Partnership advisory committees.

Eda Ritchie AM, Chair

Peter Bartlett

Margaret Farren-Price

Peter Armstrong (EXTERNAL MEMBER)

Zoe Brinsden (EXTERNAL MEMBER)

Jim Cousins AO (EXTERNAL MEMBER)

Alex King (EXTERNAL MEMBER)

Christine Sather (EXTERNAL MEMBER)

Vivian Wang (EXTERNAL MEMBER)

EXECUTIVE MANAGEMENT

Chief Executive Officer

Euan Murdoch

Appointed 1 September 2016

With a diverse background in music education, performance and leadership of New Zealand's premier musical institutions, he was Director of Te Kōki New Zealand School of Music based at Victoria University of Wellington (2015-2016) and was Chief Executive of Chamber Music New Zealand (2006-2014). He is a Graduate of the Australian Institute of Company Directors (2018).

Director of Corporate Services

Sandra Stoklossa

Finance, Human Resources, Information and Communications Technology, Administration, Facilities and Assets Management

Head of Operations

Jasja van Andel

Event and Production Management, Technical, Stage Door

Director of Programming

Marshall McGuire

Artistic Programming, Venue Hire

Director of Marketing & Customer Relations

Robert Murray

Marketing, Publicity, Customer Relationship Management, Ticketing, Front of House, Foyer Bars and Retail

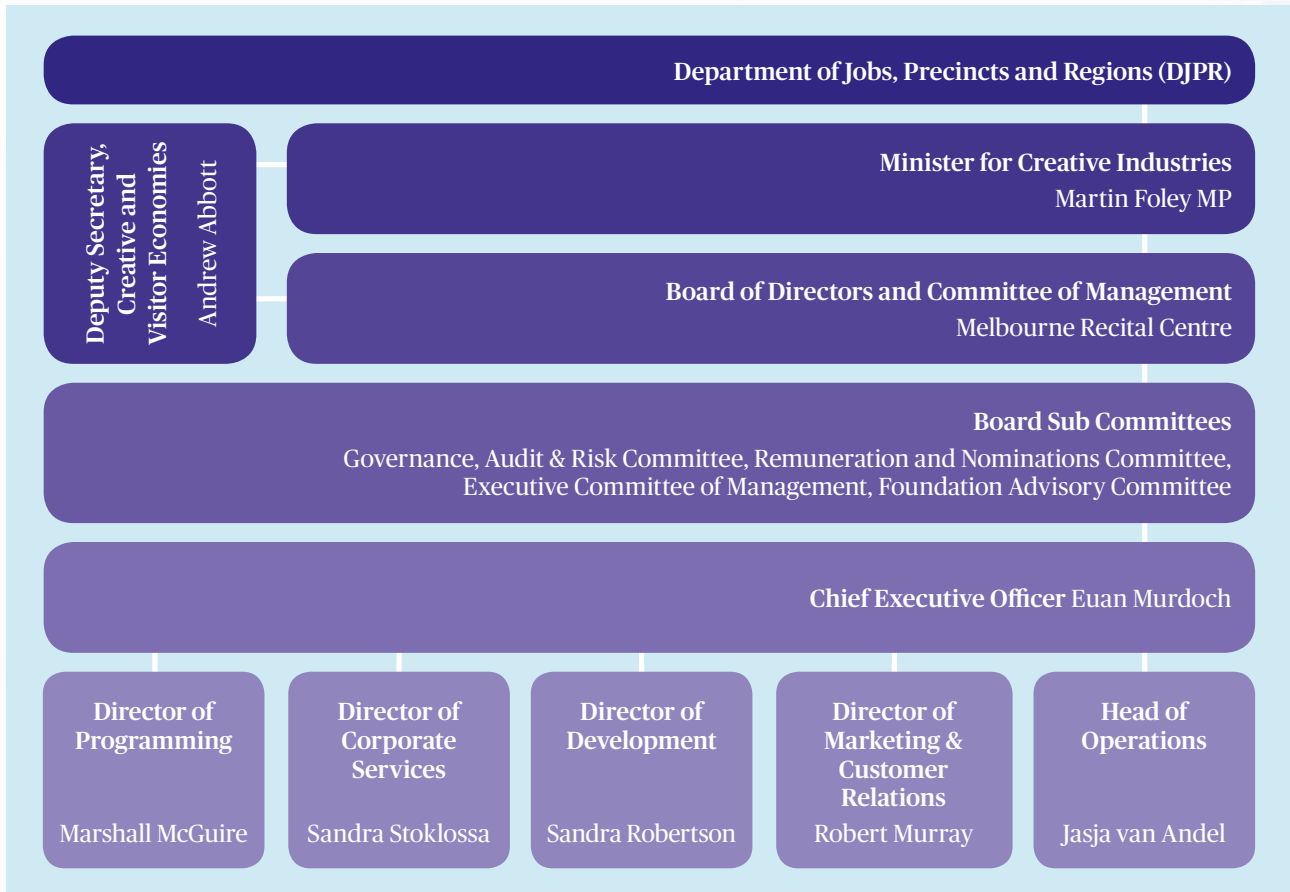
Director of Development

Sandra Robertson

Sponsorship, Philanthropy



Organisational Structure



Environmental Performance

Melbourne Recital Centre maintains its commitment to environmental sustainability by minimising its environmental impacts and promoting a green future for our community. The Centre continues to monitor and modify the behaviour of waste management, HVAC scheduling and building systems in order to improve environmental performance. Electricity and natural gas consumption have decreased year on year due to installation of energy-efficient lighting in the Primrose Potter Salon and efficiencies in HVAC configuration. Waste and water consumption have increased slightly in line with venue activity.

Key measures		2018-19	2017-18
Electricity, total consumption	Kilowatt Hr (kWh)	1,145,590	1,266,070
Natural gas, total consumption	Megajoules (Mj)	2,311,119	2,475,854
Electrical greenhouse gas emissions	Tonnes of CO ₂ e	1,374.71	1,557.27
Natural gas greenhouse gas emissions	Tonnes of CO ₂ e	126.03	137.48
Water, total consumption	Kilolitres (kL)	2,344	2,334
Waste, total units	Cubic meters (m ³)	221	177

Notes: The above figures include usage by Melbourne Recital Centre and café tenancy space occupied by Blondie Café. Waste comprises general, co-mingled, paper and cardboard.

Financial Summary

Five-Year Financial Summary

	2018-19	2017-18	2016-17	2015-16	2014-15
Income from Government	\$3,879,389	\$3,864,000	\$3,881,500	\$3,899,218	\$4,886,000 ³
Total income from transactions	\$14,787,678 ¹	\$14,756,035 ²	\$12,975,481	\$11,807,352	\$13,056,773 ⁴
Total expenses from transactions	\$13,978,829	\$13,004,258	\$12,779,962	\$11,720,465	\$12,793,743 ⁵
Net result before depreciation	\$1,216,701 ¹	\$2,264,798 ²	\$757,259	\$686,803	\$839,816
Net result from transactions, after depreciation	\$808,849 ¹	\$1,751,777 ²	\$195,519	\$86,887	\$263,636
Net cash inflow from operating activities	\$953,195	\$1,606,479	\$1,391,322	\$882,383	\$465,861
Total assets	\$16,613,677	\$15,424,847	\$14,065,532	\$12,145,396	\$11,696,736
Total liabilities	\$3,828,743	\$3,599,202	\$4,025,554	\$3,039,202	\$2,738,588

Notes:

1 Total income from transactions includes endowment gifts of \$1,000,000 flowing through to Net result for the year

2 Total income from transactions includes endowment gifts of \$1,500,000 flowing through to Net result for the year

3 Income from Government in 2014-15 included \$1,030,000 for the one-off SummerSalt Outdoor Arts Festival.

4 Total income from transactions in 2014-15 included \$1,811,758 from the one-off SummerSalt Outdoor Arts Festival.

5 Total expenses from transactions in 2014-15 included \$1,867,859 from the one-off SummerSalt Outdoor Arts Festival.

Financial Overview

The net result from transactions was a surplus of \$808,849 including:

- endowment gifts of \$1,000,000 recognised as part of Other grants, donations and sponsorship
- depreciation and amortisation expense of \$407,852

The strong operating result was achieved as a result of an exceptional program of MRC Presents and venue hire activities which delivered strong attendance and stable revenues.

Total income from transactions remained stable year on year at \$14,787,678. Key reasons for this include:

- \$1,000,000 extraordinary endowments gifts
- \$138,147 increase in sponsorship and other grants supporting the next stage of the piano replacement program and the learning and access program
- Melbourne Recital Centre Presents tickets sales increased \$262,161 due to the exceptional program to start our tenth anniversary year

Total expenses from transactions increased 7% to \$13,978,829. Key reasons for this include:

- Employee expenses increased \$446,933 due to staffing requirements to deliver increased activity levels as well as agreed pay and progression increases under our Enterprise Agreement. Employee expenses continues to be the Centre's largest investment and represents 44% of the Centre's total expenditure.
- Artistic and production costs increased \$643,184 due to increased activity levels and to ensure quality programming

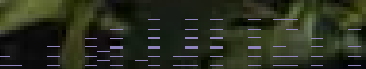
Looking forward, the Centre will continue to manage its activities to ensure the high quality of programming and presenter services are maintained within a financially sustainable and agile operating model.

‘Wonderful experience, extraordinary musicians and artists full of love, warmth and compassion.’

Audience Member



Christian Li & Laurence Matheson



Statement of Corporate Governance

Manner of Establishment

Melbourne Recital Centre was registered on 2 March 2006 with the sole member being the State of Victoria, represented by the Minister for Creative Industries. Melbourne Recital Centre is a company limited by guarantee and a public entity under the *Public Administration Act 2004*. Melbourne Recital Centre has its own constitution and has compliance and reporting requirements under both the *Financial Management Act 1994* (Victoria) and the *Corporations Act 2001* (Commonwealth). Melbourne Recital Centre is registered with the Australian Securities and Investment Commission and the Australian Charities and Not-for-profits Commission. The Directors of Melbourne Recital Centre are committed to the highest standard of corporate governance and acknowledge the need for continued maintenance of governance practice and ethical conduct by all Directors and employees.

Accordingly, they have ensured that systems and procedures are in place to provide appropriate assurance that the Company undertakes its activities and functions in accordance with:

- all legal requirements;
- the best interests of members;
- an environment that meets relevant standards; and
- a manner that is responsible to all stakeholders and the wider community.

Objectives of the Company

Melbourne Recital Centre Constitution, Clause 2:

The objectives of Melbourne Recital Centre include the promotion of live music, by, without limitation:

- undertaking preparations for - and assisting in the funding of - the construction of Melbourne Recital Centre;
- commissioning musical performances and programming for Melbourne Recital Centre;
- promoting Melbourne Recital Centre; and
- planning and managing the operations of Melbourne Recital Centre.

Powers and Duties of Directors

Melbourne Recital Centre Constitution, Clause 13.6:

The Directors are responsible for managing the Company's business and affairs and may exercise to the exclusion of the Company in general meeting all the Company's powers which are not required, by the *Corporations Act 2001* (Commonwealth) or by Melbourne Recital Centre's constitution, to be exercised by the Company in general meeting.

The Directors may decide how cheques, promissory notes, bankers drafts, bills of exchange or other negotiable instruments must be signed, drawn, accepted, endorsed or otherwise executed (as applicable) by or on behalf of the Company.

The Directors may pay out of the Company's funds all expenses of promotion, formation and registration of the Company and the vesting in it of the assets acquired by it.

The Directors may:

- appoint or employ a person to be an officer, agent or attorney of the Company for the purposes, with the powers, discretions and duties (including powers, discretions and duties vested in or exercisable by the Directors), for the period and on the conditions they think fit;
- authorise an officer, agent or attorney to delegate all or any of the powers, discretions and duties vested in the officer, agent or attorney; and
- subject to any contract between the Company and the relevant officer, agent or attorney, remove or dismiss any officer, agent or attorney at any time, with or without cause.

A power of attorney may contain any provisions for the protection and convenience of the attorney or persons dealing with the attorney that the Directors think fit.

Board Committees

The Board has established a several standing committees whose decisions become recommendations for consideration by the Board:

- Governance, Audit and Risk Committee
- Remuneration and Nominations Committee
- Committee of Management
- Development Advisory Committee

Committee of Management - Melbourne Recital Centre Land and Building

On 23 October 2008, Melbourne Recital Centre land at Southbank (Crown Allotment 2180, City of South Melbourne, Parish of Melbourne South) was reserved for public purposes (arts and recital centre). The Minister for the Environment and Climate Change appointed Melbourne Recital Centre as the Committee of Management for that reserve with effect from that date. The Melbourne Recital Centre Committee of Management is the Board of Directors of Melbourne Recital Centre.

Financial and Other Information Retained by the Accountable Officer

Relevant information detailed in Financial Reporting Direction (FRD) 22E Standard Disclosures in the Report of Operations under the *Financial Management Act 1994* Section 3 is retained by the Company's Accountable Officer. The items listed below are available to the relevant ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- A. a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- B. details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- C. details of publications produced by Melbourne Recital Centre about the activities of Melbourne Recital Centre and where they can be obtained;
- D. details of changes in prices, fees, charges, rates and levies charged by Melbourne Recital Centre for its services, including services that are administered;
- E. details of any major external reviews carried out in respect of the operation of Melbourne Recital Centre;
- F. details of any other research and development activities undertaken by Melbourne Recital Centre that are not otherwise covered either in the report of operations or in a document which contains the financial statement and report of operations;
- G. details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- H. details of major promotional, public relations and marketing activities undertaken by Melbourne Recital Centre to develop community awareness of the services provided;
- I. details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the report of operations;
- J. a general statement on industrial relations within Melbourne Recital Centre and details of time lost through industrial accidents and disputes, which are not otherwise detailed in the report of operations;
- K. a list of major committees sponsored by Melbourne Recital Centre, the purposes of each committee and the extent to which the purposes have been achieved; and
- L. details of all consultancies and contractors including: consultants/contractors engaged; services provided; and expenditure committed to for each engagement.

National Competition Policy

The Company is committed to the implementation of requirements of the competitive neutrality principles and is satisfied that its activities comply with the Victorian Government's Competitive Neutrality Policy.

Local Jobs First

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

Department and public sector bodies are required to apply the Local Job first policy in all projects valued at \$3 million or more in Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. MSPG applies to all construction projects valued at \$20 million or more. The Company did not commence or complete any contracts during 2018/19 to which these policies apply.

Compliance with the *Protected Disclosure Act 2012*

On 10 February 2013, the *Whistleblowers Protection Act 2001* was repealed and replaced with the *Protected Disclosure Act 2012* (the Act). The Act encourages and assists people in making disclosures of improper conduct by public officers and public bodies and provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Melbourne Recital Centre is committed to the aims and objectives of the Act. In particular, Melbourne Recital Centre does not tolerate improper conduct by its staff or the taking of reprisals against those who come forward to disclose such conduct.

Melbourne Recital Centre is not a public body to which disclosures may be made. Disclosures of improper conduct or detrimental action relating to Melbourne Recital Centre should generally be made to the Independent Broad-based Anti-corruption Commission (IBAC). Further information about making disclosures to the IBAC can be found at www.ibac.vic.gov.au.

As required by s.58(5) of the Act, Melbourne Recital Centre has made the Protected Disclosure Policy available on its website melbournerecital.com.au, which provides procedures for protecting people who make protected disclosures from detrimental action by Melbourne Recital Centre or its staff.

Statement of Corporate Governance (continued)

Workplace Health and Safety (WH&S)

Melbourne Recital Centre has a Workplace Health and Safety Committee, which monitors, reviews and updates the Centre's OH&S policies and procedures and reviews incidents reported at Melbourne Recital Centre. The Committee meets regularly and reports to Executive Management and Board. A number of Key Performance Indicators have been identified to enable the measurement of OH&S and provide a valuable tool in the management of these issues. Results for the year are outlined below:

Category	Key Performance Indicator	2018–19	2017–18	2016–17
Incident	No of employee incidents	21	22	17
	No of visitor incidents	19	23	26
Claims	No of standard claims	0	1	0
	No of lost time claims	0	1	0

Disability Action Plan

Melbourne Recital Centre is committed to making its performances, services and facilities accessible to the community. Melbourne Recital Centre regularly consults with Arts Access regarding improving accessibility at the Centre.

Compliance with the *Carer Recognition Act 2012*

Melbourne Recital Centre seeks to comply with its obligations under the Carers Recognition Act 2012 (the Act) as an organisation funded by the Victorian Government.

- We recognise the Companion Card scheme which provides a companion carer with a ticket free of charge.
- We ensure our staff have an awareness and understanding of the role of the Companion Card in supporting carer relationships.

We consider the carer relationship principles set out in the Act when setting employment policies and provide for carers leave in our Enterprise Agreement.

Compliance with the Building Act 1993

At 30 June 2019, Melbourne Recital Centre was responsible for one government-owned building. Pursuant to its role as Committee of Management, Melbourne Recital Centre complies with building and maintenance provisions of the *Building Act 1993*. Melbourne Recital Centre also complies with the *Building Code of Australia* and with the relevant Australian standards for building and maintenance works.

Major Works (more than \$50,000): no major works undertaken in 2018-19.

Workforce Data

Staff are appointed under ongoing, fixed-term or casual contracts as per Melbourne Recital Centre Enterprise Agreement 2015 and the Government Sector Executive Remuneration Panel and are bound by the Code of Conduct for Victorian Public Sector Employees. The Melbourne Recital Centre complies with the values (Section 7) and employment principles (Section 8) of the *Public Administration Act 2004*.

Melbourne Recital Centre is committed to applying merit and equity principles in appointments of staff. Selection processes in place ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities, and without discrimination. Melbourne Recital Centre is committed towards a balanced working environment where equal opportunity and diversity is valued.

Employees have been correctly classified in workforce data collections as outlined in the table below.

Details of employment levels in June of 2018 and 2019

FTE	2019			2018		
Employment Type	Male	Female	Total	Male	Female	Total
Ongoing	18	17	35	19	17	36
Casual/Fixed Term	16	16	32	10	14	24
Total	34	33	67	29	31	60
HEADCOUNT						
Ongoing	18	18	36	20	18	38
Casual/Fixed Term	43	44	87	37	40	77
Total	61	62	123	57	58	115

Statement of Corporate Governance (continued)

Government Advertising Expenditure (campaigns with a media spend of \$100,000 or greater)

In 2018-19 there was no single campaign media spend \$100,000 or greater.

Consultancy Expenditure

In 2018-19 there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure in relation to this consultancy was \$47,450 (excluding GST). Details of this consultancy can be viewed at melbournerecital.com.au/consultancies

In 2018-19 there were eight (8) consultancies where the total fees payable to the consultant was less than \$10,000. The total expenditure incurred during 2018-19 on these consultancies was \$28,170 (excluding GST).



Information and Communication Technology expenditure

For the 2018-19 reporting period, Melbourne Recital Centre had a total ICT expenditure of \$742,709 with the details show below.

Business as Usual (BAU) ICT expenditure	Non-Business As Usual (non-BAU) ICT expenditure (Total = Operational expenditure and Capital expenditure)
\$511,509	\$231,200

ICT expenditure refers to the Centre's costs in providing business-enabling ICT services. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Flinders Quartet

41

‘The Centre is our music community. It is a place where one can guarantee great concerts every night no matter who is performing. We all love music and have an insatiable desire for exquisite sound and Melbourne Recital Centre unites us in that passion.’

Melbourne Recital Centre Performers since 2009



Directors' Report

The Directors present this report on Melbourne Recital Centre for the financial year ended 30 June 2019.

Directors

The names of each person who has been a Director during the period and to the date of this report are:

Andrea Hull AO, Chair (Appointed 10 June 2019)

Kathryn Fagg AO, Chair (Retired 2 March 2019)

Stephen Carpenter (Interim Chair 3 March 2019 to 2 June 2019)

Peter Bartlett

Joseph Corponi

Mary Delahunty (Reappointed 18 March 2019)

Paul Donnelly

Margaret Farren-Price

Eda Ritchie AM

Margaret Taylor (Resigned 1 February 2019)

Jody Evans

Audrey Zibelman

Directors have been in office since 1 July 2018 to the date of this report unless otherwise stated. All directors are independent of the management.

Company Secretary

Stephen Carpenter held the position of company secretary at the end of the financial year.

Membership of Melbourne Recital Centre

Melbourne Recital Centre is a company limited by guarantee. The sole member of the Company is the Minister for Creative Industries, Hon. Martin Foley MP.

Principal Activities

The principal activity of the Company during the financial year was planning and managing the operations of Melbourne Recital Centre.

Company Objectives

The objectives of Melbourne Recital Centre include the promotion of live music, by, without limitation:

- undertaking preparations for - and assisting in the funding of - the construction of Melbourne Recital Centre;
- commissioning musical performances and programming for Melbourne Recital Centre;
- promoting Melbourne Recital Centre; and
- planning and managing the operations of Melbourne Recital Centre.

Operating Results

The net result from transactions was a surplus of \$808,849 (\$1,751,777 in 2017-18). Total comprehensive result was \$959,289 (\$1,785,667 in 2017-18).

Dividends Paid or Recommended

In line with the Constitution of the Melbourne Recital Centre no part of the income or property was paid, transferred or distributed, directly or indirectly, by way of dividend, bonus, or other profit distribution, to any of the members or directors during the financial year.

Review of Operations

The Company's focus was consolidating its position and broadening its audience.

Significant Changes in State of Affairs

There was no significant change in state of affairs during the financial year.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Future Developments

The Company expects to maintain the present status and level of operations for the foreseeable future.

Environmental Regulations

No significant environmental regulations apply that are likely to have a material effect on the operations or financial results of Melbourne Recital Centre.

Meetings of Directors

During the financial year, five meetings of directors were held. Attendance by each director was as follows:

Director name	Number eligible to attend	Number attended
Kathryn Fagg AO	3	3
Peter Bartlett	5	3
Stephen Carpenter	5	5
Joseph Corponi	5	5
Margaret Farren-Price	5	4
Eda Ritchie AM	5	4
Paul Donnelly	5	2
Mary Delahunty	5	5
Margaret Taylor	3	3
Jody Evans	5	5
Audrey Zibelman	5	2
Andrea Hull AO	1	1

Directors' Benefits

Directors' benefits are set out in note 8.4 to the financial statements.

Insurance of Directors and Officers

During the financial year \$4,329 (\$4,719 in 2017-18) was paid by the Company to the Victorian Managed Insurance Authority for directors' and officers' liability insurance premiums and recorded as an expense in the comprehensive operating statement. The insurance provides cover for directors and officers of Melbourne Recital Centre against certain personal liabilities that they may incur by reason of their duties as directors and officers.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2019 has been received and can be found on page 44 of the financial report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporation Act 2001.

On behalf of the directors



Andrea Hull AO
Chair of the Board

Melbourne
27 August 2019

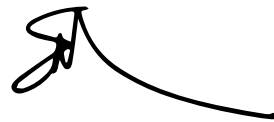
Directors' Declaration

The attached financial statements for Melbourne Recital Centre have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, the *Australian Charities and Not-for-profits Commission Act 2012*, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2019 and financial position of the Company at 30 June 2019.

At the time of signing, there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable, and we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 27 August 2019.



Euan Murdoch
Chief Executive Officer

Melbourne
27 August 2019



Sandra Stoklossa
Director of Corporate Services

Melbourne
27 August 2019

Auditor-General's Independence Declaration

To the Directors, the Melbourne Recital Centre

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for the Melbourne Recital Centre for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
2 September 2019



Simone Bohan
as delegate for the Auditor-General of Victoria

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Melbourne Recital Centre
 Comprehensive Operating Statement
 for the Financial Year Ended 30 June 2019

	Notes	2019	2018
		\$	\$
Income from transactions	2		
State government grants	2.1	3,879,389	3,864,000
Other grants, donations and sponsorship	2.2	2,930,692	3,076,359
Commercial operations	2.3	7,522,243	7,332,424
Other income	2.4	455,354	483,252
Total income from transactions		14,787,678	14,756,035
Expenses from transactions	3		
Employee expenses	3.1	6,234,692	5,787,759
Supplies and consumables	3.2	2,858,960	2,835,496
Artistic and production costs	3.3	3,250,171	2,606,987
Building occupancy	3.4	875,907	848,393
Legal, professional and consultancy	3.5	259,873	326,502
Depreciation and amortisation	3.5	407,852	513,021
Finance costs	3.5	91,374	86,100
Total expenses from transactions		13,978,829	13,004,258
Net result from transactions (net operating balance)		808,849	1,751,777
Other Economic Flows – Included in net result	8.1		
Gain on disposal of non-financial assets	8.1	1,297	–
Changes in market value of investments	8.1	149,143	–
Total Other economic flows included in net result		150,440	–
Net result		959,289	1,751,777
Other Economic Flows – Other Comprehensive Income			
Changes to financial assets available-for-sale revaluation reserve	8.2.1.2	–	33,890
Total Other Economic Flows – Other Comprehensive Income		–	33,890
Comprehensive result		959,289	1,785,667

The comprehensive operating statement should be read in conjunction with the accompanying notes on pages 50 to 78.

Melbourne Recital Centre
Balance Sheet
as at 30 June 2019

	Notes	2019	2018
		\$	\$
Assets			
Financial assets			
Cash and deposits	6.1	7,577,083	6,361,672
Receivables	5.1	406,728	140,694
Investments	4.3	5,790,820	6,132,618
GST receivable		47,138	79,170
Total financial assets		13,821,769	12,714,154
Non-financial assets			
Inventory		18,285	17,329
Property, plant and equipment	4.1	2,371,417	2,444,915
Intangible assets	4.2	83,523	–
Prepayments		318,683	248,449
Total non-financial assets		2,791,908	2,710,693
Total assets		16,613,677	15,424,847
Liabilities			
Trade and other payables	5.2	1,055,129	1,218,816
Provisions	3.1.1	710,396	624,278
Income received in advance	5.3	2,016,943	1,703,863
Other liabilities	5.4	46,275	52,245
Total liabilities		3,828,743	3,599,202
Net assets		12,784,934	11,825,645
Equity			
Accumulated surplus	8.2	856,250	1,568,997
Public fund – Endowment	8.2.1	10,754,004	9,030,566
Public fund – Externally funded special projects reserve	8.2.1	507,654	365,749
Public fund – Available-for-sale revaluation reserve	8.2.1	–	193,307
Public fund – Physical asset revaluation reserve	8.2.1	(106,818)	(106,818)
Physical asset revaluation reserve	8.2	773,844	773,844
Total equity		12,784,934	11,825,645

The balance sheet should be read in conjunction with the accompanying notes included in pages 50 to 78.

Melbourne Recital Centre
Statement of Changes in Equity
for the Financial Year Ended 30 June 2019

	Notes	Equity at 1 July 2018	Net result	Transfer between funds	Change in accounting policy - AASB 9	Equity at 30 June 2019
		\$	\$	\$	\$	\$
Accumulated surplus/ (deficit)	8.2	1,568,997	959,289	(1,865,343)	193,307	856,250
Public fund – general	8.2.1	9,030,566	–	1,723,438	–	10,754,004
Public fund – externally funded special projects reserve	8.2.1	365,749	–	141,905	–	507,654
Public fund – available-for-sale revaluation reserve	8.2.1	193,307	–	–	(193,307)	–
Public fund – physical asset revaluation reserve	8.2.1	(106,818)	–	–	–	(106,818)
Physical asset revaluation reserve	8.2	773,844	–	–	–	773,844
Total equity at end of financial year		11,825,645	959,289	–	–	12,784,934

	Notes	Equity at 1 July 2017	Net result	Available- for-sale revaluation reserve	Transfer between funds	Equity at 30 June 2018
		\$	\$	\$	\$	\$
Accumulated surplus/ (deficit)	8.2	1,615,376	1,751,777	–	(1,798,156)	1,568,997
Public fund – general	8.2.1	6,924,945	–	–	2,105,621	9,030,566
Public fund – externally funded special projects reserve	8.2.1	673,214	–	–	(307,465)	365,749
Public fund – available-for-sale revaluation reserve	8.2.1	159,417	–	33,890	–	193,307
Public fund – physical asset revaluation reserve	8.2.1	(106,818)	–	–	–	(106,818)
Physical asset revaluation reserve	8.2	773,844	–	–	–	773,844
Total equity at end of financial year		10,039,978	1,751,777	33,890	–	11,825,645

The statement of changes in equity should be read in conjunction with the accompanying notes on pages 50 to 78.

Melbourne Recital Centre
Cash Flow Statement
for the Financial Year Ended 30 June 2019

	Notes	2019	2018
		\$	\$
Cash flows from operating activities			
Receipts			
Receipts from State Government		3,977,840	4,080,700
Receipts from customers		8,137,413	7,795,403
Fundraising and sponsorship		2,910,692	3,080,359
Interest received		95,250	67,886
Dividends received		14,506	13,631
GST refunded from ATO		206,270	213,085
Total receipts		15,341,971	15,251,064
Payments			
Payments to suppliers		(8,186,725)	(7,714,430)
Payments to employees		(6,110,678)	(5,844,055)
Finance costs		(91,373)	(86,100)
Total payments		(14,388,776)	(13,644,585)
Net cash flow from operating activities	6.1.1	953,195	1,606,479
Cash flows from investing activities			
Payment for purchase of property, plant and equipment and intangibles		(530,283)	(106,580)
Proceeds from sale of property, plant and equipment		135,000	-
VFMC distribution received		379,317	-
Proceeds from sale of shares		278,182	-
Net cash flows used in investing activities		262,216	(106,580)
Net increase in cash and cash equivalents		1,215,411	1,499,899
Cash and cash equivalents at beginning of financial year		6,361,672	4,861,773
Cash and cash equivalents at end of financial year	6.1	7,577,083	6,361,672

The cash flow statement should be read in conjunction with the accompanying notes on pages 50 to 78.

Melbourne Recital Centre
 Notes to the Financial Statements
 for the Financial Year Ended 30 June 2019

NOTE 1: ABOUT THIS REPORT

Melbourne Recital Centre (the Company) is an individual company, incorporated and domiciled in Australia. The financial statements are presented in Australian dollars, the functional and presentation currency of Melbourne Recital Centre.

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the Company. At 30 June 2019, the sole member of the Company is the Minister of Creative Industries.

The registered office and principal place of business is:

Melbourne Recital Centre
 31 Sturt Street
 Southbank 3006

Melbourne Recital Centre is registered charity with the Australian Charities and Not-for-profits Commission and reports under the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

1.1. Basis of preparation

The financial statements have been prepared under the historical cost convention, unless a different measurement basis is specially disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate. The financial statements have been prepared on a going-concern basis.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effect on the financial statements and estimates are disclosed in the notes. Where appropriate, comparative figures have been amended to align with current presentation and disclosure.

The financial statements cover the Company as an individual reporting entity.

All amounts in the financial statements have been rounded to the nearest one dollar.

1.2. Compliance Information

The general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA), applicable Australian Accounting Standards and Interpretations (AASs) and the *Australian Charities and Not-for-profits Commission Act 2012*. In particular, they are presented in a manner consistent with the requirements of *AASB 1049 Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial statements were authorised for issue by the Board of Directors on the date the declaration was signed.

NOTE 2: FUNDING DELIVERY OF OUR SERVICES

Introduction

The company is a public entity and derives its income from grants, sponsorships, donations and commercial sources such as ticketing commission, food and beverage income and venue hire income.

Structure

Summary of income that funds the delivery of our services

- 2.1 State government grants
- 2.2 Other grants, donations and sponsorships
- 2.3 Commercial operations
- 2.4 Other income

Summary of income that funds the delivery of our services

	Notes	2019 \$	2018 \$
State government grants	2.1	3,879,389	3,864,000
Other grants, donations and sponsorship	2.2	2,930,692	3,076,359
Commercial operations	2.3	7,522,243	7,332,424
Other income	2.4	455,354	483,252
Total income from transactions		14,787,678	14,756,035

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured.

2.1 State government grants

	2019 \$	2018 \$
Recurrent operating grant	3,879,389	3,864,000
Total government grants	3,879,389	3,864,000

Government grants are recognised as income when the grant is received by the company.

2.2 Other grants, donations and sponsorships

	2019 \$	2018 \$
Public fund grants and donations	2,170,506	2,454,590
Sponsorship	760,186	621,769
Total other grants, donations and sponsorships	2,930,692	3,076,359

Grant and sponsorship income for specific projects is generally recognised in the operating statement in the reporting period in which the obligations under the grant and sponsorship arrangements are discharged.

Donations in cash are recognised as revenue when received.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

2.3 Commercial operations

	2019 \$	2018 \$
Artistic programming	3,518,609	3,256,448
Venue hire	2,436,401	2,506,242
Commercial activities	1,567,233	1,569,734
Total commercial operations	7,522,243	7,332,424

Revenue from commercial operations is recognised upon the delivery of the service to the customers.

Artistic programming income comprises ticket sales from Melbourne Recital Centre Presents events. Income from this area is held as an *advance ticket sales* liability on the balance sheet until the performance has occurred and subsequently recognised as revenue.

Venue hire income comprises rental income for the use of the venue including the recovery of event production costs. Deposits relating to this activity is held as a *venue hire deposits* liability on the balance sheet until the performance has occurred and subsequently recognised as revenue.

Commercial activities comprises ticketing commission, food and beverage income and the recovery of front of house event services. Income from these activities is recognised upon the delivery of goods to customers. Revenue from the sale of goods is recognised upon the delivery of goods to customers.

2.4 Other income

	2019 \$	2018 \$
Interest received	95,250	67,886
Dividends received	14,506	13,631
Distribution received VFMC capital stable fund	126,850	117,442
Distribution received VFMC balance fund	151,709	191,366
Other income	67,039	92,927
Total other income	455,354	483,252

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

Dividend income and distribution income from investments are recognised when the right to receive payment is established. Dividends and distribution income represent the income arising from the company's investments in financial assets.

NOTE 3: THE COST OF DELIVERING SERVICES

Introduction

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

Structure

- 3 Expenses incurred in delivery of service
 - 3.1 Employee expenses
 - 3.1.1 Employee benefits in the balance sheet
 - 3.2 Supplies and consumables
 - 3.3 Artistic and production costs
 - 3.4 Building occupancy
 - 3.5 Other operating expenses

Expenses incurred in delivery of service

	Notes	2019 \$	2018 \$
Employee expenses	3.1	6,234,692	5,787,759
Supplies and consumables	3.2	2,858,960	2,835,496
Artistic and production costs	3.3	3,250,171	2,606,987
Building occupancy	3.4	875,907	848,393
Other operating expenses	3.5	759,099	925,623
Total expenses from transactions		13,978,829	13,004,258

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

3.1 Employee expenses

	2019 \$	2018 \$
Employee benefits	5,717,391	5,323,613
Defined contribution superannuation plans	517,301	464,146
(a) Employee expenses	6,234,692	5,787,759

Employee expenses include all costs related to employment including wages and salaries, superannuation contributions, fringe benefits tax, leave entitlements, workcover premiums, learning and development and training costs.

The superannuation amount charged to the comprehensive operating statement represents contributions made or due by the company to the relevant superannuation plans in respect to the company's staff.

3.1.1 Employee benefits in the balance sheet

	2019 \$	2018 \$
Current provisions		
Annual leave		
Unconditional and expected to settle within 12 months	277,149	239,796
Unconditional and expected to settle after 12 months	–	–
Long service leave		
Unconditional and expected to settle within 12 months	59,469	59,762
Unconditional and expected to settle after 12 months	138,761	139,445
Provisions for on-costs		
Unconditional and expected to settle within 12 months	18,558	28,458
Unconditional and expected to settle after 12 months	22,023	13,247
Total current provisions for employee benefits	515,960	480,708
Non-current provisions:		
Employee benefits	180,774	131,114
On-costs	13,662	12,456
Total non-current provisions for employee benefits	194,436	143,570
Total provisions for employee benefits	710,396	624,278

Provision is made for benefits accruing to employees in respect of wages, salaries, annual and long service leave for services rendered to the reporting date. Provisions are recognised when the Company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Wages, salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave which are expected to be settled within 12 months of the reporting period, are recognised in the provision for employee benefits. These liabilities are classified as current liabilities and measured at their nominal value.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed as a current liability; even where the Company does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

The components of this current LSL liability are measured at:

- Present value—component that the Company does not expect to settle within 12 months; and
- Nominal value—component that the Company expects to settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Significant judgement: Employee provisions

Significant judgements are made in estimating the value of and classification of employee benefit provisions.

Historical trends of the Company are used to estimate the likely tenure of existing staff and expected timing of leave claims. In addition, judgements relating to wage inflation and future discount rates are required, for which the Company utilises rates released by the Department of Treasury and Finance.

Employee benefits on-costs

Employee benefits on-costs (such as workers compensation and superannuation) are recognised separately from provision for employee benefits.

3.2 Supplies and consumables

	2019 \$	2018 \$
Marketing and promotion	1,387,452	1,335,276
Information technology	553,032	585,644
Food and beverage	682,480	678,480
Other supplies and consumables	235,996	236,096
Total supplies and consumables	2,858,960	2,835,496

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

3.3 Artistic and production costs

	2019 \$	2018 \$
MRC presents:		
Artist costs	1,947,855	1,492,248
Production costs	353,720	230,279
Co-Pro ticketing revenue split	367,918	450,095
Venue hire events and other	580,678	434,365
Total artistic and production costs	3,250,171	2,606,987

Artistic and production costs relate to artist fees for Melbourne Recital Centre Presents events and production costs of all events held at Melbourne Recital Centre. These costs are recognised in the period as an expense in the period the event is held.

3.4 Building occupancy

	2019 \$	2018 \$
Utilities	252,237	208,432
Cleaning	352,690	337,977
Building security	71,534	59,861
Building repairs and maintenance	188,356	226,497
Other	11,090	15,626
Total building occupancy	875,907	848,393

Building occupancy expenses generally represent the cost of running and maintaining the venue.

3.5 Other operating expenses

	2019 \$	2018 \$
Legal and consultancy expenses	259,873	326,502
Depreciation and amortisation	407,852	513,021
Finance costs	91,374	86,100
Total other operating expenses	759,099	925,623

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

NOTE 4: KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Company controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities.

Structure

- 4.1 Property, plant and equipment
 - 4.1.1 Carrying amount and accumulated depreciation
 - 4.1.2 Movement in carrying amount
 - 4.1.3 Depreciation
- 4.2 Intangibles
- 4.3 Investments and other financial assets

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

4.1 Property, Plant and Equipment

4.1.1 Carrying amount and accumulated depreciation

	2019 \$	2018 \$
Building fit-out		
Building fit-out at fair value	604,860	566,000
Less accumulated depreciation	(40,589)	(20,075)
Closing balance	564,271	545,925
Venue furniture and equipment		
Venue furniture and equipment at fair value	3,390,965	3,385,008
Less accumulated depreciation	(2,901,270)	(2,627,302)
Closing balance	489,695	757,706
Office furniture and equipment		
Office furniture and equipment at fair value	849,798	698,953
Less accumulated depreciation	(654,085)	(605,051)
Closing balance	195,713	93,902
Musical instruments		
Musical instruments at fair value	724,745	634,269
Less accumulated depreciation	(91,189)	(55,069)
Closing balance	633,556	579,200
Cultural assets		
Cultural assets at fair value	488,182	468,182
Closing balance	488,182	468,182
Total property, plant and equipment	2,371,417	2,444,915

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment losses.

Property, plant and equipment (PPE) are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best.

Non-specialised buildings, musical instruments and cultural assets (artworks) are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Refer to Note 7 for additional information on fair value determination of property, plant and equipment.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

4.1.2 Movement in carrying amount

	Building fit-out at fair value		Venue furniture & equipment at fair value		Office furniture & equipment at fair value		Music instruments at fair value		Cultural assets at fair value		Totals	
<i>Fair value Hierarchy</i>	<i>Level 3</i>		<i>Level 3</i>		<i>Level 2</i>		<i>Level 3</i>		<i>Level 2</i>			
	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$	2019 \$	2018 \$
Opening balance	545,925	566,000	757,706	1,029,188	93,902	134,425	579,200	634,269	468,182	468,182	2,444,915	2,832,064
Additions	38,860	–	5,957	94,963	150,845	11,619	245,634	–	20,000	–	461,296	106,582
Disposals	–	–	–	–	–	–	(132,384)	–	–	–	(132,384)	–
Depreciation expenses	(20,514)	(20,075)	(273,968)	(366,445)	(49,034)	(52,142)	(58,894)	(55,069)	–	–	(402,410)	(493,731)
Closing balance	564,271	545,925	489,695	757,706	195,713	93,902	633,556	579,200	488,182	468,182	2,371,417	2,444,915

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

4.1.3 Depreciation

The depreciable amount (fair value less residual value) of all plant, property and equipment is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use.

No depreciation is provided for cultural assets as they do not have a finite useful life.

The useful life for each class of depreciable assets is:

Class of asset	Useful life	
	2019	2018
Building fit-out	20-40 years	20-40 years
Venue furniture and equipment	4-20 years	4-20 years
Office furniture and equipment	3-20 years	3-20 years
Musical instruments	10-40 years	10-40 years
Cultural assets	Indefinite	Indefinite

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

Amortisation is calculated on a straight line basis over 4 years.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

4.2 Intangible assets

	2019 \$	2018 \$
Intangible assets at cost	439,149	350,184
Less accumulated amortisation	(355,626)	(350,184)
Total intangible assets	83,523	–

Intangible assets are initially recognised at cost. The intangible assets have a finite useful life and therefore these externally purchased assets are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Company.

Amortisation is calculated on a straight line basis over 4 years.

4.2.2 Movement in carrying amount

	Intangibles	
	2019 \$	2018 \$
Opening balance	–	–
Additions	88,965	–
Depreciation expenses	(5,442)	–
Closing balance	83,523	–

4.3 Investments and other financial assets

	2019 \$	2018 \$
Equities and managed investment funds:		
Listed securities at fair value	–	290,344
VFMC Capital Stable Fund fund at fair value	2,800,600	2,806,676
VFMC Balance Fund at fair value	2,990,220	3,035,598
Total investments	5,790,820	6,132,618

Investments held by the Company are managed funds. Investments are classified as being at fair value through profit and loss. Investments are recognised and derecognised on trade date, and are initially recognised at fair value. Subsequent to initial recognition, they are measured at fair value with realised and unrealised gains and losses arising from changes in fair value, recognised in net result as per AASB 9.

(a) Nature and extent of risk arising from investments

Please refer to Note 7 for the nature and extent of risks arising from investments.

NOTE 5: OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 5.1 Receivables
 - 5.1.1 Ageing analysis of contractual receivables
- 5.2 Trade and other payables
 - 5.2.1 Maturity analysis of contractual payables
- 5.3 Income received in advance
- 5.4 Other liabilities

5.1 Receivables

	2019 \$	2018 \$
Trade debtors	282,183	145,693
Less provision for doubtful debts	(5,000)	(4,999)
Accrued Income	129,545	–
	406,728	140,694
Statutory		
GST receivable	47,138	79,170
Total current receivables	453,866	219,864

Contractual receivables are classified as financial instruments and categorised as 'loans and receivables'. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment.

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

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

5.1.1 Ageing analysis of contractual receivables

		Carrying amount \$	Not past due and not impaired \$	Past due but not impaired				Impaired financial assets \$
				Less than 1 month	1-3 months	3 months -1 year	1-5 years	
2019	Trade debtors	282,183	200,656	51,714	11,612	13,201	–	5,000
2018	Trade debtors	145,693	96,441	33,480	9,938	835	–	4,999

5.2 Trade and other payables

	2019 \$	2018 \$
Current Contractual		
Trade payables	398,772	671,779
Accrued expenses	485,412	432,877
Superannuation payable	117,634	42,642
	1,001,818	1,147,298
Statutory		
PAYG Payable	53,311	71,518
Total Payables	1,055,129	1,218,816

Contractual payables, classified as financial instruments and measured at amortised cost. Trade payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid.

Statutory payables, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

5.2.1 Maturity analysis of contractual payables

	Carrying amount	Maturity dates			
		Less than 1 month	1-3 months	3 months -1 year	1-5 years
2019					
Trade payables	398,772	398,772	-	-	-
Accrued expenses	603,046	603,046	-	-	-
2018					
Trade payables	671,779	671,779	-	-	-
Accrued expenses	475,519	475,519	-	-	-

5.3 Income received in advance

	2019 \$	2018 \$
Venue hire deposits	626,266	512,269
Advance tickets sales	1,172,271	854,447
Grants received in advance	218,406	337,147
Total income received in advance	2,016,943	1,703,863

Income received in advance have been deferred in line with the revenue recognition as described in note 2.

5.4 Other liabilities

	2019 \$	2018 \$
Creative Victoria Loan	46,275	52,245
Total other liabilities	46,275	52,245

Creative Victoria owns the Melbourne Recital Centre building in Southbank. When maintenance or building improvement works are required, Creative Victoria provides the necessary funds to the Company in order to arrange for the completion of the work and payment of suppliers on their behalf. These funds are generally received in advance, and drawn down as works are incurred.

NOTE 6: HOW WE FINANCED OUR OPERATIONS**Introduction**

This section provides information on the sources of finance utilised during operations and other information related to financing activities.

Structure

- 6.1 Cash and deposits
 - 6.1.1 Cash flow information and balances
- 6.2 Commitments for expenditure
 - 6.2.1 Total commitments payable

6.1 Cash and deposits

	2019 \$	2018 \$
Cash at bank	7,571,342	5,920,259
Cash on hand	5,741	6,413
Short-term deposit	–	435,000
Total cash and deposit	7,577,083	6,361,672

Cash and deposits includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

6.1.1 Cash flow information and balances

	2019 \$	2018 \$
Reconciliation of net cash result for the year to cash flows from operating activities for the year		
Net result for the year	847,288	1,751,775
Non cash flows movements		
Depreciation of non-current assets	407,852	513,021
VFMC distribution income	–	(308,808)
Net (gain) on disposal of fixed assets	(1,297)	–
Net (gain) on change in MV of investments	(149,143)	–
Cash flows from investing activities		
VFMC distribution income	(166,559)	–
Changes in assets and liabilities		
(Increase)/decrease in receivables and other assets	(157,786)	136,491
(Increase)/decrease in GST recoverable	32,032	8,426
(Increase) in inventory	(955)	(12,117)
(Increase) in prepayments	(70,234)	(55,957)
Decrease in trade and other payables	(163,687)	(25,838)
Increase/(decrease) in provisions	86,118	(88,229)
Increase/(decrease) in income received in advance	283,596	(235,054)
Increase/(Decrease) in other liabilities	5,970	(77,231)
Net cash flows from operating activities	953,195	1,606,479

6.2 Commitments for expenditure

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

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

6.2.1 Total commitments payable

	2019 \$	2018 \$
Not later than one year	520,021	128,503
Later than one year but not later than five years	649,897	–
Total expenditure commitments (inclusive of GST)	1,169,918	128,503
Less GST recoverable from the Australian Taxation Office	(106,356)	(11,682)
Total commitments for expenditure (exclusive of GST)	1,063,562	116,821

As at 30 June 2019, there are no capital commitments (2018: nil)

NOTE 7: RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied.

Structure

- 7.1 Financial instruments specific disclosures
 - 7.1.1 Interest rate risk
 - 7.1.2 Credit risk
 - 7.1.3 Liquidity risk
- 7.2 Contingent liabilities and assets
- 7.3 Fair value determination and impairment
 - 7.3.1 Financial assets measured at fair value
 - 7.3.2 Non-financial assets measured at fair value

7.1 Financial Instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Company's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

The Company considers that the carrying amount of financial assets and liabilities recorded in the financial statements to be a fair approximation of their fair values.

The Company is exposed to some financial risks: interest rate risk, credit risk and liquidity risk.

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

Change in accounting policy – AASB 9

On initial application of AASB 9 on 1 July 2018, Melbourne Recital Centre's management has assessed for all financial assets based on their business models for managing the assets. The following are the changes in the classification of the Centre's financial assets:

- a) Managed investment schemes previously classified as available-for-sale under AASB 139 are now classified as fair value through net result under AASB 9 because their cash flows do not represent solely payments of principal and interest, thus not meeting the AASB 9 criteria for classification at amortised cost. As the result of the above- mentioned changes in classification, the related fair value gain of \$193,307 was transferred from the available for-sale revaluation surplus to retained earnings on 1 July 2018.
- b) Contractual receivables previously classified as other loans and receivables under AASB 139 are now reclassified as financial assets at amortised cost under AASB 9.

The accounting for financial liabilities remains largely the same as it was under AASB 139.

The following table summarises the required and elected reclassification upon adoption of AASB 9. The main effects resulting from the reclassification are as follows:

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

AASB 9 Measurement Categories				
As at 30 June 2018	AASB 139 Measurement Categories \$	Cash and deposits \$	Amortised Cost (AC) \$	Fair Value through profit and loss (FVTFL) \$
AASB 139 Measurement Categories				
Loans and receivables				
Cash and deposits	6,355,259	6,355,259	–	–
Receivables	140,694	–	140,694	–
Available for sale				
Investments	6,132,618	–	–	6,132,618
As at 1 July 2018	12,628,571	6,355,259	140,694	6,132,618

Changes to the impairment of financial assets

Under AASB 9, all loans and receivables as well as other debt instruments not carried at fair value through net result are subject to AASB 9's new expected credit loss (ECL) impairment model, which replaces AASB 139's incurred loss approach.

For other loans and receivables, the Company applies the AASB 9 simplified approach to measure expected credit losses based on the change in the ECLs over the life of the asset. Application of the lifetime ECL allowance method has resulted in no changes to the impairment loss allowances as at 30 June 2018, or during the 2019 financial year.

Categories of financial assets under AASB 9

Financial assets at amortised cost include financial assets that meet both of the following criteria and the assets are not designated as fair value through net result:

- the assets are held to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Melbourne Recital Centre recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Financial assets at fair value through net result include equity instruments that are held for trading as well as derivative instruments are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income.

Melbourne Recital Centre recognises managed investment schemes under this category.

Categories of financial assets under AASB 139

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

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

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

Available-for-sale financial instrument assets are those designated as available-for-sale or not classified in any other category of financial instrument asset. Such assets are initially recognised at fair value. Subsequent to initial recognition, they are measured at fair value with gains and losses arising from changes in fair value, recognised in 'Other economic flows - other comprehensive income' until the investment is disposed.

On disposal, the cumulative gain or loss previously recognised in 'Other economic flows - other comprehensive income' is transferred to other economic flows in the net result. The Company recognises investments in equities in this category.

Categories of financial liabilities under AASB 139 and AASB 9

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost. The Company recognises payables (excluding statutory payables) and other liabilities in this category:

Financial Instruments: Categorisation

	Cash and deposits \$	Amortised Cost (AC) \$	Fair Value through profit and loss (FVTFL) \$	Total \$
2019				
Cash and deposits	7,571,342	–	–	7,571,342
Receivables	–	406,728	–	406,728
Investments	–	–	5,790,820	5,790,820
Total contractual financial assets	7,571,342	406,728	5,790,820	13,768,890
Trade and other payables	–	1,001,818	–	1,001,818
Other liabilities	–	46,275	–	46,275
Total contractual financial liabilities	–	1,048,093	–	1,048,093

	Cash and deposits \$	Loans and receivables \$	Available for sale \$	Amortised cost \$	Total \$
2018					
Cash and deposits	6,355,259	–	–	–	6,355,259
Receivables	–	140,694	–	–	140,694
Investments	–	–	6,132,618	–	6,132,618
Total contractual financial assets	6,355,259	140,694	6,132,618	–	12,628,571
Trade and other payables	–	–	–	1,147,298	1,147,298
Other liabilities	–	–	–	52,245	52,245
Total contractual financial liabilities	–	–	–	1,199,543	1,199,543

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

7.1.1 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has minimal exposure to cash flow interest rate risks through cash and deposits, term deposits and bank overdrafts that are at floating rate.

The Company manages this risk by mainly undertaking fixed rate or non-interest bearing financial instruments. Management has concluded that cash at bank can be left at floating rate without necessarily exposing the Company to significant bad risk, management monitors movement in interest rates on a daily basis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Company's sensitivity to interest rate risk are limited to cash at bank and term deposits at the end of the financial year of \$7,571,342 (2018: \$6,355,259).

Sensitivity analysis determined that a movement of 50 basis points up and 50 basis points down (2018: 50 up and 50 down) in market interest rates (AUD) would not have a material impact on the Company's net result and equity for cash at bank and deposits held by the company at the end of the reporting period if the movements were to occur.

7.1.2 Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company manages credit risk by dealing with counterparties of established reputations in the industry. The Company's maximum exposure to credit risk at balance date in relation to each class of financial asset is the carrying amount of those assets as indicated in the balance sheet. The Company does not have any significant concentration of credit risk on an industry, regional or country basis.

Currently the Company holds no collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date there is no event to indicate that any of the financial assets were impaired.

There has been no material change to the Company's credit risk profile in 2018-19.

Table 7.1.2.1 Credit quality of contractual financial assets

	Financial Institutions (AA credit rating) \$	Government Agencies (AA credit rating) \$	Other \$	Total \$
2019				
Cash and deposits	7,571,342	–	–	7,571,342
Receivables	–	–	406,728	406,728
Investments	–	5,790,820	–	5,790,820
Total contractual financial assets	7,571,342	5,790,820	406,728	13,768,890
2018				
Cash and deposits	6,355,259	–	–	6,355,259
Receivables	–	–	140,694	140,694
Investments	–	6,132,618	–	6,132,618
Total contractual financial assets	6,355,259	6,132,618	140,694	12,628,571

Refer to note 5.1.1 for a maturity analysis of receivables that are past due or impaired. No other financial assets are considered to be past due or impaired at year end for both the current and prior years.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

7.1.3 Liquidity Risk

Liquidity risk arises from the Company being unable to meet financial obligations as they fall due. The manner in which the Company manages this risk is through the cash flow provided by the funding agreement with Creative Victoria. In 2018-19 the Company received \$3,879,389 from Creative Victoria (2017-18 \$3,864,000).

The Company's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount of contractual financial liabilities recorded in the financial statements represents the Company's maximum exposure to liquidity risk.

The following table summarises the maturity profile of Melbourne Recital Centre's financial liabilities:

	Carrying amount	Maturity dates			
		Less than 1 month	1-3 months	3 months-1 year	1-5 years
2019					
Trade and other payables	1,001,818	1,001,818	–	–	–
Other liabilities	46,275	–	–	46,275	–
Total financial liabilities	1,048,093	1,001,818	–	46,275	–
2018					
Trade and other payables	1,147,298	1,147,298	–	–	–
Other liabilities	52,245	–	–	52,245	–
Total financial liabilities	1,199,543	1,147,298	–	52,245	–

7.2 Contingent liabilities and assets

As at 30 June 2019 there are no contingent liabilities or contingent assets (2018: nil)

7.3 Fair value determination and impairment

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

Table 7.3.1 Financial assets measured at fair value

The Company considers that the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair values, because of the short term nature of the financial instruments and the expectation that they will be paid in full.

	Carrying amount as at 30th June	Fair value measurement at end of reporting period using:		
		Level 1	Level 2	Level 3
2019				
Investments in:				
Available-for-sale listed securities	–	–	–	–
Managed investment schemes	5,790,820	–	5,790,820	–
Total financial assets	5,790,820	–	5,790,820	–
2018				
Investments in:				
Available-for-sale listed securities	290,344	290,344	–	–
Managed investment schemes	5,842,274	–	5,842,274	–
Total financial assets	6,132,618	290,344	5,842,274	–

7.3.2 Non-financial assets measured at fair value

	Carrying amount as at 30th June 2019 \$	Fair value measurement at end of reporting period using:			Carrying amount as at 30th June 2018 \$	Fair value measurement at end of reporting period using:		
		Level 1 \$	Level 2 \$	Level 3 \$		Level 1 \$	Level 2 \$	Level 3 \$
Building fit-out	564,271	–	–	564,271	545,925	–	–	545,925
Venue furniture and equipment	489,695	–	–	489,695	757,706	–	–	757,706
Office furniture and equipment	195,713	–	195,713	–	93,902	–	93,902	–
Music instruments (i)	633,556	–	–	633,556	579,200	–	–	579,200
Cultural assets (ii)	488,182	–	488,182	–	468,182	–	468,182	–
Total of assets at fair value	2,371,417	–	683,895	1,687,522	2,444,915	–	562,084	1,882,831

7.3.2.1 Impairment of non-financial assets

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. There were no assets that were assessed as being impaired in either the current or prior years.

7.3.2.1 Revaluation of non-current physical assets

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases are recognised in 'other economic flows', and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense in the net result.

Net revaluation decreases are recognised in 'other economic flows' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the net revaluation decreases are recognised immediately as other economic flows in the net result. The net revaluation decrease recognised in 'other economic flows' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes. Any asset revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

Other Asset Classes

All other asset classes are held at fair value. As the assets included in these asset classes are considered specialised in use, such that they are rarely sold, fair value is determined using the depreciated replacement cost method. For all assets measured at fair value, the current use is considered the highest and best use.

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

NOTE 8: OTHER DISCLOSURES

Introduction

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

Structure

- 8.1 Other economic flows included in net result
- 8.2 Reserves
 - 8.2.1 Public Fund
 - 8.2.1.1 Externally funded special projects reserve
 - 8.2.1.2 Available-for-sale revaluation reserve
 - 8.2.2 Economic dependence
- 8.3 Responsible persons
- 8.4 Remuneration of executives
- 8.5 Related parties
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Australian Accounting Standards issued that are not yet effective

8.1 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets and liabilities that do not result from transactions.

	2019 \$	2018 \$
Gain on disposal of non-financial assets	1,297	–
Change in market value of investments	149,143	–
Total other economic flows included in net result	150,440	–

Changes in market value of investments include realised and unrealised gains and losses from revaluations of financial instruments at fair value; impairment and reversal of impairment for financial instruments at amortised cost; and disposals of financial assets and derecognition of financial liabilities.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

8.2 Reserves

	2019 \$	2018 \$
Accumulated surplus		
Balance at beginning of year	1,568,997	1,615,376
Net result	959,289	1,751,777
Transfer to public fund – general	(1,723,438)	(2,105,621)
Transfer to public fund – externally funded special projects reserve	(141,905)	307,465
Change in accounting policy – AASB 9	193,307	–
Balance at end of year	856,250	1,568,997
Physical asset revaluation reserve		
Balance at beginning of financial year	667,026	667,026
Balance at end of year	667,026	667,026
Represented by:		
Asset revaluation increments	773,844	773,844
Asset revaluation decrements apportioned to Public Fund (note 8.2.1)	(106,818)	(106,818)
	667,026	667,026

Note 8.2.1 PUBLIC FUND

Included in the accounts of the Company are the results and assets and liabilities of the Public Fund.

The Company's constitution establishes a Public Fund to receive all gifts of money and property for object of the Company. The Company must maintain a separate bank account into which all donations of cash and all proceeds derived from, including interest, income or money, the realisation of property are paid. The Public Fund is only used to further the Company's objectives. In the event of the winding up of the Public Fund, or the Public Fund ceasing to be on the Register of Cultural Organisations, or the Company ceasing to be endorsed as a deductible gift recipient, any surplus of assets of the Public Fund must be transferred to a Public Fund: which is charitable at law; where gifts can be deducted under Subdivision 30-B due to it being listed on the Register of Cultural Organisations, as the members of the Company decide.

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Revenue		
Grants and donations	2,163,566	2,429,811
Interest	67,924	31,302
Dividend income	14,506	–
Income distribution	278,559	308,808
Total revenue	2,524,555	2,769,921

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

Note 8.2.1 PUBLIC FUND (continued)

OPERATING STATEMENT CONTINUES

	2019 \$	2018 \$
Expenses		
General programming	758,315	717,554
Access initiatives	87,962	66,557
Artist development initiatives	29,150	184,835
Cost of fundraising	126,235	120,976
Total expenses	1,001,662	1,089,922
Net result from transactions (net operating balance)	1,522,893	1,679,999
Other Economic Flows – Included in net result		
Change in market value of financial assets	149,143	–
Net result	1,672,036	1,679,999

BALANCE SHEET AS AT 30 JUNE 2019

Assets		
Cash and deposits	5,542,977	3,549,452
Investments	5,790,820	6,132,618
Cultural assets	88,182	68,182
Total assets	11,421,979	9,750,252
Liabilities		
Accrued Expenses	267,139	267,448
Total liabilities	267,139	267,448
Net assets	11,154,840	9,482,804
Equity		
Public fund – Endowment	10,754,004	9,030,566
Public fund – Externally funded special projects reserve	507,654	365,749
Public Fund – Available-for-sale revaluation reserve	–	193,307
Physical asset revaluation reserve	(106,818)	(106,818)
Total equity	11,154,840	9,482,804

8.2.1.1 Externally funded special projects reserve

Externally funded special projects reserve consist of unexpended earmarked donations and grants tied to a specific purpose.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

8.2.1.2 Available-for-sale revaluation reserve	2019 \$	2018 \$
Balance at beginning of year	193,307	159,417
Valuation gain recognised	–	33,890
Change in accounting policy – AASB 9	(193,307)	–
Balance at end of year	–	193,307

The Company applies the limited exemption in AASB 9, as a result any adjustments to carrying amounts of financial assets or liabilities are recognised at beginning of the current reporting period with difference recognised in opening retained earnings; and financial assets and provision for impairment have not been reclassified and/or restated in the comparative period. Managed investment schemes previously classified as available-for-sale under AASB 139 are now classified as fair value through net result under AASB 9.

8.2.2 Economic dependence

The Company is dependent on Creative Victoria for the majority of its funding required to operate the business. At the date of this report the Directors have no reason to believe Creative Victoria will not continue to support the Company.

8.3 Responsible persons

The names of the persons who held the positions of Responsible Persons are as follows:

Martin Foley MP	Minister for Creative Industries	1 July 2018 – 30 June 2019
Andrea Hull AO	Chair	10 June 2019 – 30 June 2019
Kathryn Fagg AO	Chair	1 July 2018 – 2 March 2019
Stephen Carpenter	Board Member	1 July 2018 – 30 June 2019
Peter Bartlett	Board Member	1 July 2018 – 30 June 2019
Joseph Corponi	Board Member	1 July 2018 – 30 June 2019
Paul Donnelly	Board Member	1 July 2018 – 30 June 2019
Margaret Farren-Price	Board Member	1 July 2018 – 30 June 2019
Eda Ritchie AM	Board Member	1 July 2018 – 30 June 2019
Jody Evans	Board Member	1 July 2018 – 30 June 2019
Audrey Zibelman	Board Member	1 July 2018 – 30 June 2019
Mary Delahunty	Board Member	1 July 2018 – 30 June 2019
Margaret Taylor	Board Member	1 July 2018 – 1 February 2019

Amounts relating to the Minister's remuneration are reported in the financial statements of the Department of Parliamentary Services. All board members are appointed by the Minister for Creative Industries. They do not receive remuneration for services provided in their role as board members.

Accountable Officers

Euan Murdoch (1 July 2018 – 30 June 2019)

The remuneration of the Accountable Officer was in the banding of (\$250,000 – \$259,999)

8.4 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid or payable by the entity in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Remuneration of executive officers

	2019 \$	2018 \$
Short-term benefits	653,686	733,630
Post-employment benefits	60,852	66,367
Other long-term benefits	16,342	17,022
Total remuneration	730,880	817,019
Total number of executives	4	5
Total annualised employee equivalent (AEE) (a)	4	5

(a) Annualised employee equivalent (AEE) is based on the time fraction worked during the financial year.

8.5 Related parties

Related parties of the Company include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

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

Significant transactions with Government related entities

Creative Victoria provides ongoing annual funding to the Company in order to support their operations.

During the 30 June 2019 year, Creative Victoria provided funding of \$3,879,389.

Creative Victoria owns the Melbourne Recital Centre building in Southbank. When maintenance or building improvement works are required, Creative Victoria provides the necessary funds to the Company in order to arrange for the completion of the work and pay suppliers on their behalf. The total funds received for these building works during the 30 June 2019 year amounted to \$93,150 (2018: \$216,700).

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

Key management personnel

Key management personnel of the Company include responsible persons detailed in note 8.3, as well as executives defined in 8.4.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Services' Financial Report. Board members do not receive remuneration for services provided.

Remuneration of key management personnel

	2019 \$	2018 \$
Short-term benefits	907,777	985,721
Post-employment benefits	84,516	89,850
Other long-term benefits	22,694	23,325
Total remuneration	1,014,987	1,098,896
Total number of KMPs	18	16
Total annualised employee equivalent (AEE) (a)	5	6

There were no material transactions or balances with key management personnel and other related parties during the year (2018: nil).

8.6 Remuneration of auditors

	2019 \$	2018 \$
Victorian Auditor-General's Office		
Audit of the financial statements	37,000	36,000

8.7 Subsequent events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Melbourne Recital Centre
Notes to the Financial Statements
for the Financial Year Ended 30 June 2019

8.8 Australian Accounting Standards issued that are not yet effective

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Certain new Australian accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting period.

As at 30 June 2019, the following standards and interpretations had been issued but were not mandatory for the reporting ended 30 June 2019. The company has not and does not intend to adopt these standards early.

Topic	Key requirements	Effective date	Impact on the Company's Financial Statements
AASB 1059 Service Concession Arrangements: Grantor	<p>This Standard applies to arrangements that involve an operator providing a public service on behalf of a public sector grantor.</p> <p>It involves the use of a service concession asset and where the operator manages at least some of the public service at its own direction. A arrangement within the scope of this standard typically involves an operator constructing the asset used to provide the public service or upgrading the assets and operating and maintaining the assets for a specified period of time.</p>	1 January 2020	There will be no impact to the Company as the Company does not have any service concession arrangements.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet, which has an impact on net debt.	1 January 2019	The assessment has indicated that the initial implementation of AASB 16 will not significantly impact the company as there are no leases in place that may give to a right-of-use asset.
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer. Note that amending standard AASB 2015 8 <i>Amendments to Australian Accounting Standards - Effective Date of AASB 15</i> has deferred the effective date of AASB 15 to annual reporting periods beginning on or after 1 January 2018, instead of 1 January 2017.	1 January 2019	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. Revenue from grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as the performance obligations attached to the grant are satisfied.
AASB 1058 Income of Not-for-Profit Entities	This standard will replace AASB 1004 <i>Contributions</i> and establishes principles for transactions that are not within the scope of AASB 15, where the consideration to acquire an asset is significantly less than fair value to enable not-for-profit entities to further their objectives. The restructure of administrative arrangement will remain under AASB 1004.	1 January 2019	<p>The timing of revenue recognition for grant agreements that fall under the scope of AASB 1058 may be deferred.</p> <p>The impact on current revenue recognition of the changes is the potential phasing and deferral of revenue recorded in the operating statement.</p>

In addition to the new standards above, the AASB has issued other amending standards and interpretations, that are not effective for the 2018-19 reporting period, that are not expected to have a significant impact on the Company's reporting.

Independent Auditor's Report

To the Directors of the Melbourne Recital Centre

Opinion

I have audited the financial report of the Melbourne Recital Centre (the company) which comprises the:

- balance sheet as at 30 June 2019
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- directors' declaration.

In my opinion the financial report is in accordance with Part 7 of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- presenting fairly, in all material respects, the financial position of the company as at 30 June 2019 and of its financial performance and its cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Other Information is financial or non-financial information in the company's financial reporting which is provided in addition to the financial report and the auditor's report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this auditor's Report was the directors' report. My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information.

However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.

Directors' responsibilities for the financial report	<p>The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Directors 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 Directors are responsible for assessing the company'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	<p>As required by the <i>Audit Act 1994</i>, 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.</p> <p>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:</p> <ul style="list-style-type: none">• 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 company's internal control• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors• conclude on the appropriateness of the Directors' 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 company'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 company to cease to continue as a going concern.

Auditor's responsibilities for the audit of the financial report (continued)

- 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 Directors 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.

I also provide the Directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Simone Bohan

as delegate for the Auditor-General of Victoria

MELBOURNE
2 September 2019

Melbourne Recital Centre
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Victorian Industry Participation Policy Act 2003

Financial Management Act 1994

Photos: Dan Aulsebrook, Mark Chew, Pia Johnson,
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PRINCIPAL GOVERNMENT PARTNER

