

# Contents

<b>3</b>	Key Achievements	<b>32</b>	Financial Summary
<b>4</b>	Report From The Chair and CEO	<b>34</b>	Statement of Corporate Governance
<b>8</b>	Program Highlights	<b>40</b>	Directors' Report
<b>12</b>	Key Presenting Partners and Hirers	<b>42</b>	Auditor-General's Independence Declaration
<b>15</b>	Australian and World Premieres	<b>44</b>	Comprehensive Operating Statement
<b>16</b>	Strategic Framework	<b>45</b>	Balance sheet
<b>17</b>	Achievements 2019-20	<b>46</b>	Statement of Changes in Equity
<b>22</b>	Development Impact Report	<b>47</b>	Cash Flow Statement
<b>24</b>	Inspired Giving	<b>48</b>	Notes to the Financial Statement
<b>26</b>	Our Partners	<b>78</b>	Independent Auditor's Report
<b>28</b>	Our People	<b>80</b>	Disclosure Index
<b>31</b>	Environmental Performance		

## 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 2020.



**Prof Andrea Hull AO**  
Chair  
Melbourne Recital Centre  
25 August 2020

*Melbourne Recital Centre acknowledges the Traditional Custodians of the lands on which we work, live and learn. We pay our respects to people of the Kulin nation, their Elders past, present and emerging and to all Aboriginal and Torres Strait Islander Peoples.*

# 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.

	2018-19 Results	2019-20 Target	2019-20 Results
<b>Distinctive and diverse programs and audience</b>			
Number of public events at Melbourne Recital Centre	601	533	384
Total attendance at Melbourne Recital Centre events including those Beyond the Centre*	214,484	230,000	157,030
Number of Beyond the Centre events	94	80	73
Attendance at Beyond the Centre events	3,916	3,750	3,702
Participation by students*	14,140	15,000	12,008
Website - unique site visitors*	828,730	650,000	606,209
<b>To build our financial and service capacities</b>			
End of year financial result	\$959,289	\$71,257	-\$204,590
Total revenue	\$14,787,678°	\$13,611,017	\$12,012,761
Melbourne Recital Centre Presents Revenue	\$3,518,609	\$3,500,975	\$2,141,501
Development Revenue	\$2,930,692	\$1,700,000	\$1,298,113
<b>To deliver stakeholder value</b>			
Visitor satisfaction*	97%	95%	97%
All facility safety audits conducted*	1	1	1
<b>Community engagement</b>			
Melbourne Recital Centre Members*	1,227	1,400	1,380
Volunteer hours*	539	750	602
<b>To aspire to creative leadership, with emphasis on the Australian voice</b>			
Number of Australian artists and ensembles	397	350	293
<b>To build the Centre's position in the international context</b>			
Number of international artists and ensembles	104	80	72

\*Portfolio Agencies Output - 2019-20 State Budget Paper No.3

†Includes endowment gifts of \$1,500,000 including \$1,000,000 from Ms Betty Amsden AO, DSJ

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

# Report From The Chair and CEO

## *Wominjeka, welcome.*

This report is being written at an unprecedented time for the cultural sector. In Australia and globally, artists and arts organisations are redefining their relationships with their audiences and discovering new ways to create work. Since March 2020, Melbourne Recital Centre has not been able to welcome audiences to its performance spaces, but our audiences have been able to experience the Centre's diverse program, superb acoustics and the world's best performers from their homes. Our *Hear Together* digital broadcast program is just one way we've continued to engage our audiences.

In 2019-20 we welcomed 153,328 people to the Centre at 384 events. This is a significant decline in numbers year on year due to the temporary closure of the Centre in response to the global coronavirus pandemic. Melbourne Recital Centre Presents box office revenue was \$2,141,501, a variance of -\$1,377,108 year on year. Hire, food and beverage, ticketing fees and development income were also severely impacted by the Centre's closure and the challenging operating environment. Increased Government funding supported the Centre through this crisis. The Centre delivered a year-end result of -\$204,590.



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



**Euan Murdoch**  
CEO, Melbourne Recital Centre



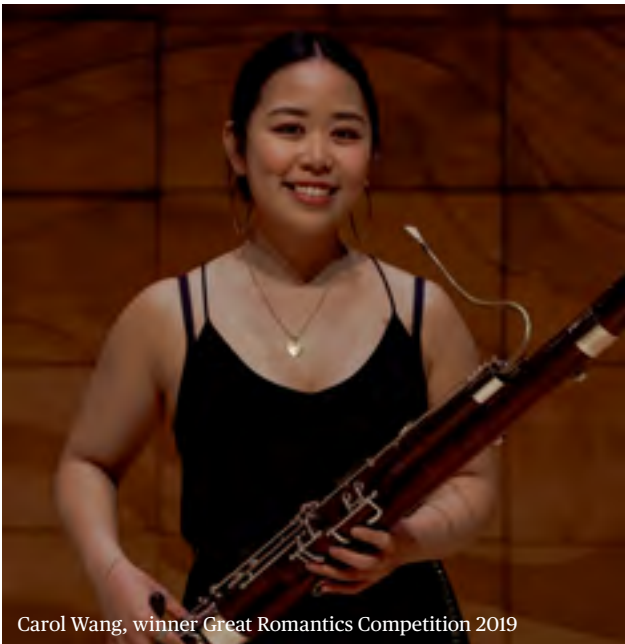
We began the 2019-20 Financial Year at the midpoint of our 10th Anniversary celebrations, which included a program of concerts, commissions and other events to mark this milestone. One of the highlights was *Contours of Songlines* by Artist-in-Residence William Barton, Delmae Barton, Paul Grabowsky and Veronique Serret. The Centre's decade-long collaboration with Australia's First Peoples was further consolidated with the adoption of our Elevate Reconciliation Action Plan (RAP), developed in consultation with Reconciliation Australia. The RAP was launched to the company in June 2020 and is an essential part of our commitment to extending the Centre's inclusive program and company culture.

We continued our \$10 ticket program, with a total of 3,050 people experiencing a concert at the Centre, many for the first time. This program was generously supported by our community of donors. Despite the real challenges presented to Victorians first by bushfires and then by the current coronavirus crisis, our supporters and audiences were quick to come to the help of musicians and people impacted during this tumultuous year. Fundraising efforts at concerts at the beginning of 2020 raised money for bushfire appeals. Then, as we and our hirers were forced to reschedule or cancel performances, customers donated the value of their tickets, and more, to the *Performer Support Fund*, raising \$150,000. These funds go directly to the artists whose co-presentations with Melbourne Recital Centre were cancelled as an unavoidable consequence of our temporary closure. Our supporters contributed just under \$1.3 million in 2019-20. Thank you for giving so generously.

The legacy of the 10th Anniversary year, including two magnificent new Steinway pianos and significant gifts, continue to inspire audiences and artists and position the Centre well for the next decade of its life, and beyond.

Our *Learning and Access* programs continued to develop the talents of young musicians and provide access to transformative musical experiences to communities across Victoria. Technology has enabled us to continue our *Song Play* program for local infants and toddlers and their families throughout 2020 - a welcome treat for parents and children coping with lockdowns and isolation. We also held our Bach Competition online - a first for this annual event. The flexibility, pragmatism and creativity of the Melbourne Recital Centre team have courageously met the challenges of the current environment. The Board of Directors offers sincere thanks to the people whose dedication to the Centre and commitment to artists and audiences is unflagging. Thank you.

One of the last presentations prior to the Centre's temporary closure was our 2020 *Signature Event*, the Freiburg Baroque Orchestra with pianist Kristian Bezuidenhout performing Beethoven's five piano concertos. Over two evenings, the period-instrument orchestra and a brilliant fortepianist recreated the sound of 18th-century Vienna in a state-of-the-art hall in Melbourne. This Australian-exclusive event exemplified what makes Melbourne Recital Centre a vital part of the state's musical landscape - thrilling music-making by the world's best musicians.



Carol Wang, winner Great Romantics Competition 2019



Kristian Bezuidenhout

Our work with Victorian musicians is also fundamental to our vision of connecting bold music makers with passionate audiences. Melbourne Recital Centre plays an essential role in the live music ecosystem of Victoria, particularly in our support of the small and medium sector: the hundreds of independent musicians who we partner with to co-present concerts in a vast array of styles.

The imagination and artistry of Victorian musicians is on show every night at the Centre. We thank them both - performers and audiences - for demonstrating their love for the artform with such passion.

We farewelled two members of the Senior Leadership Team in 2019-20: Director of Development Sandra Robertson, and Director of Corporate Services Sandra Stoklossa. Sandra Robertson joined Melbourne Recital Centre in 2011. Her work establishing and growing the Centre's philanthropy and sponsorship programs has been vital to the organisation's success. Sandra Stoklossa joined the Centre in 2017 and led important projects such as the renewal of our policies and the IT Transformation Project. The Board thanks them for their valuable and lasting contribution to Melbourne Recital Centre.

We thank the Melbourne Recital Centre Board for the time and expertise they generously give to the organisation; the Board's wisdom and counsel are invaluable. We farewelled Joseph Corponi after nine years of service and welcomed Prof Deborah Cheetham AO and Liz Grainger. We conferred Melbourne Recital Centre Life Membership at a concert celebrating Richard Mills AM, a former Board member whose musical contribution to Australia and the Centre is immeasurable.

On behalf of the Centre, we sincerely thank the Minister for Creative Industries Martin Foley MP and CEO of Creative Victoria Andrew Abbott for their steadfast support through this period. We also thank our colleagues across the sector for their advice, insight and energy as we navigate this moment together. We extend both our deep gratitude to the people of Victoria and we thank the State Government of Victoria for supporting the Centre, and our community of artists and audiences. We stand with all artists and the community during this difficult time.

After the current crisis has passed, music will play a role in bringing people together again for inspiration, reflection, healing and renewing social connections. Whether online or in our two exquisite spaces, Melbourne Recital Centre remains a place for musicians and audiences to create and experience unforgettable music together.

Thank you.

**Prof Andrea Hull AO**

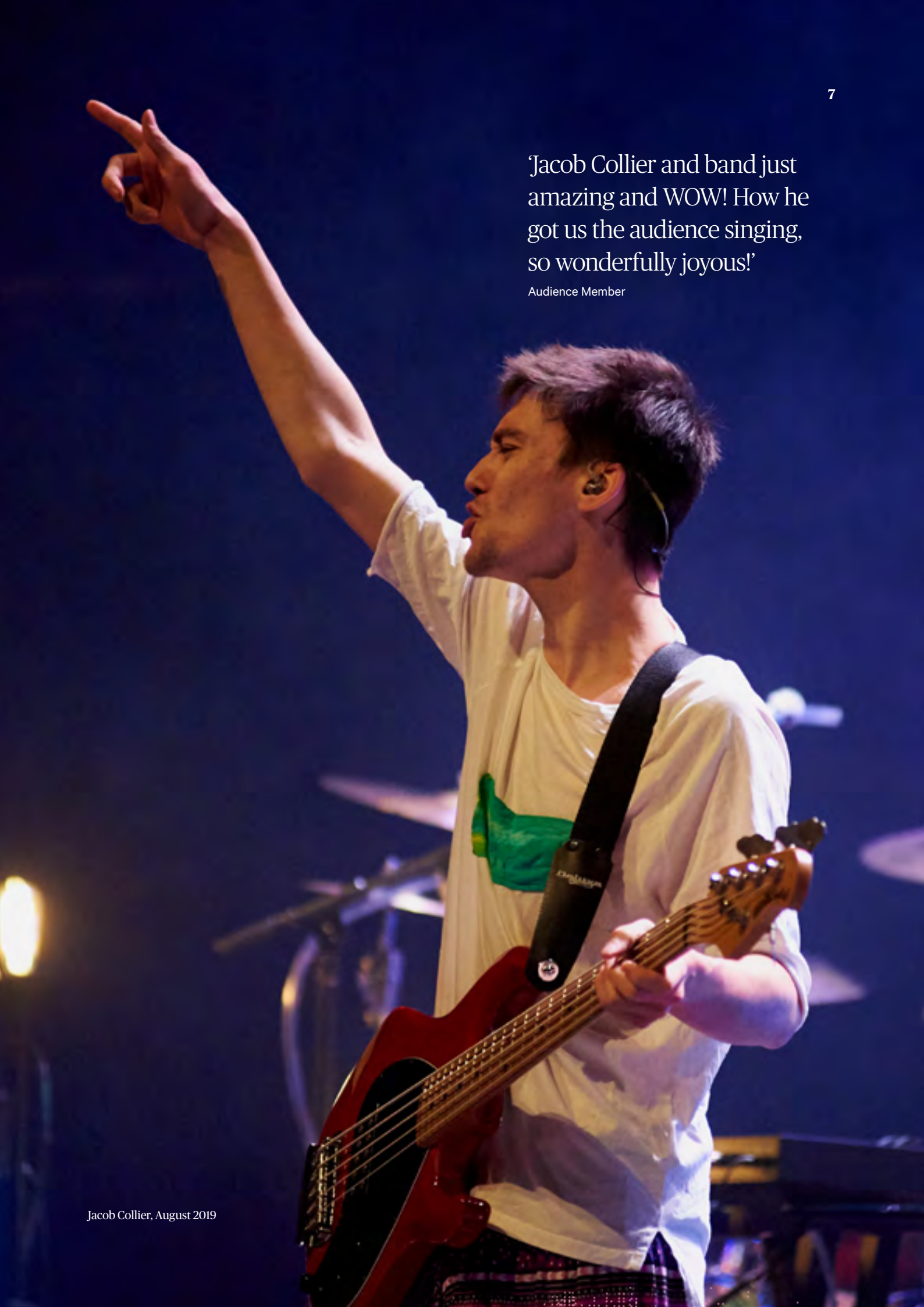
Chair, Melbourne Recital Centre Board of Directors

**Euan Murdoch**

CEO, Melbourne Recital Centre

'Jacob Collier and band just amazing and WOW! How he got us the audience singing, so wonderfully joyous!'

Audience Member



# Melbourne Recital Centre Program Highlights July 2019–June 2020

Melbourne Recital Centre began the year with a continuation of our 10th Anniversary celebrations, unveiling a suite of new commissions, the Artist-in-Residence program, and a stellar line-up of artists and organisations presenting an inspiring array of concerts and events.

**The year ended quite differently, in silence, as we dealt with the sudden and massive impact of Coronavirus (COVID-19), resulting in us cancelling all concerts between 15 March and 30 June. We continue to be a venue of, and for, the 21st century, and we look forward to once again celebrating the past, welcoming the present and imagining the future; a place where artists and concert-goers are invited to engage, challenge and explore.**



Nicole Car, Étienne Dupuis & Jayson Gillham, August 2019

## Quarter One

Always a busy time, we started this quarter with The Wiggles, animating all our spaces with enthusiastic audiences of all ages. Notable artists appearing on our stages, reflecting a diversity of styles and approaches, included: Joseph Tawadros; William Barton and Auntie Delmae Barton in a special commissioned performance as part of his Artist-in-Residence program; Mama Alto; Bobby Singh; Australia's international opera star Nicole Car with Étienne Dupuis and Jayson Gillham; audience favourite, pianist Paul Lewis; Australian String Quartet with Lou Bennett, Steve Pigram and William Barton; toy piano virtuoso Margaret Leng Tan; Jacob Collier; The Swingles; FOJAM; and a stunning performance from Spinifex Gum. The Centre's Great Romantics Competition was won by bassoonist Carol Wang.

Our Key Presenting Partners and hirers continued to enrich our stages with notable performances from the Choir of King's College Cambridge (Musica Viva); Australian Brandenburg Orchestra; and Ray Chen with the Melbourne Symphony Orchestra.

Learning and Access continued to thrive, with extensive activation of *Music Always* (music in aged care); *Song Play* (music for early childhood), and regional touring activity.

Our 10 Commissions project saw us present our fourth new work - *Commuter Variations* by Kate Neal and Sal Cooper, performed by Lisa Moore.





Mojo Juju, November 2019

## Quarter Two

Melbourne Festival presented its last festival in its former framework with a compelling series of performances by artists Joan as Police Woman, Kronos Quartet, Stalin's Piano, Lina Andonovska, and Susheela Raman's *Ghost Gamelan*.

Our 10 Commissions continued, with the premiere of Andrew Ford's *Scenes from Streeton*, performed by Arcadia Winds; Nico Muhly's Violin Concerto, performed by Pekka Kuusisto and the ACO; Ros Bandt's *Celebration*, and Zheng-Ting Wang and Adam Simmons' *Soliloquy*, both performed by Australian Chinese Music Ensemble, celebrating its 30th anniversary.

The long-awaited Australian debut of the acclaimed French quartet Quatuor Ébène delivered an astonishingly rich performance of Beethoven quartets, recorded as part of their Beethoven Around the World project, selecting one venue from each continent including Philharmonie de Paris, Suntory Hall Tokyo, Sala São Paulo, Alliance Française Nairobi, Vienna Konzerthaus, and Kimmel Center Philadelphia.

We launched a new season of concerts at the Hanson-Dyer Hall in the next-door Conservatorium of Music, to an overwhelmingly positive response from artists, audiences and staff of both institutions. This new program is on hold in response to coronavirus. We note with pride that Melbourne now hosts four outstanding performance spaces for music named after prominent women: Elisabeth Murdoch Hall and Primrose Potter Salon (Melbourne Recital Centre); and Melba Hall and Hanson-Dyer Hall (The University of Melbourne).

We hosted the Music Victoria Awards in November and welcomed Robert Henke back to the Centre for Melbourne Music Week.

Our *Local Heroes* program continued to thrive, with increased audience attendance and engagement a notable feature.

In the Primrose Potter Salon, legendary lute player Hopkinson Smith gave an intimate recital; harpist Alice Giles presented her *Alice in Antarctica* program, inspired by her forebear Dr CT Madigan; Nemanja Radulović dazzled with Ensemble Liaison; Young Performer of the Year Emily Sun played Beethoven and Strauss; guitar virtuoso Karin Schaupp mesmerised with her inspiring program and playing; and Apoorva Krishna appeared in partnership with Multicultural Arts Victoria. Elisabeth Murdoch Hall saw memorable performances from Mojo Juju; Kimberley Echoes; Great Performer, pianist Behzod Abduraimov; Hoang Pham continuing his highly successful series; Lu Siqing in recital (MSO); winners of the 2018 Melbourne International Chamber Music Competition, Trio Marvin (Musica Viva); and Gabor Takac-Nagy leading ANAM in a memorable *Mostly Mozart* performance.



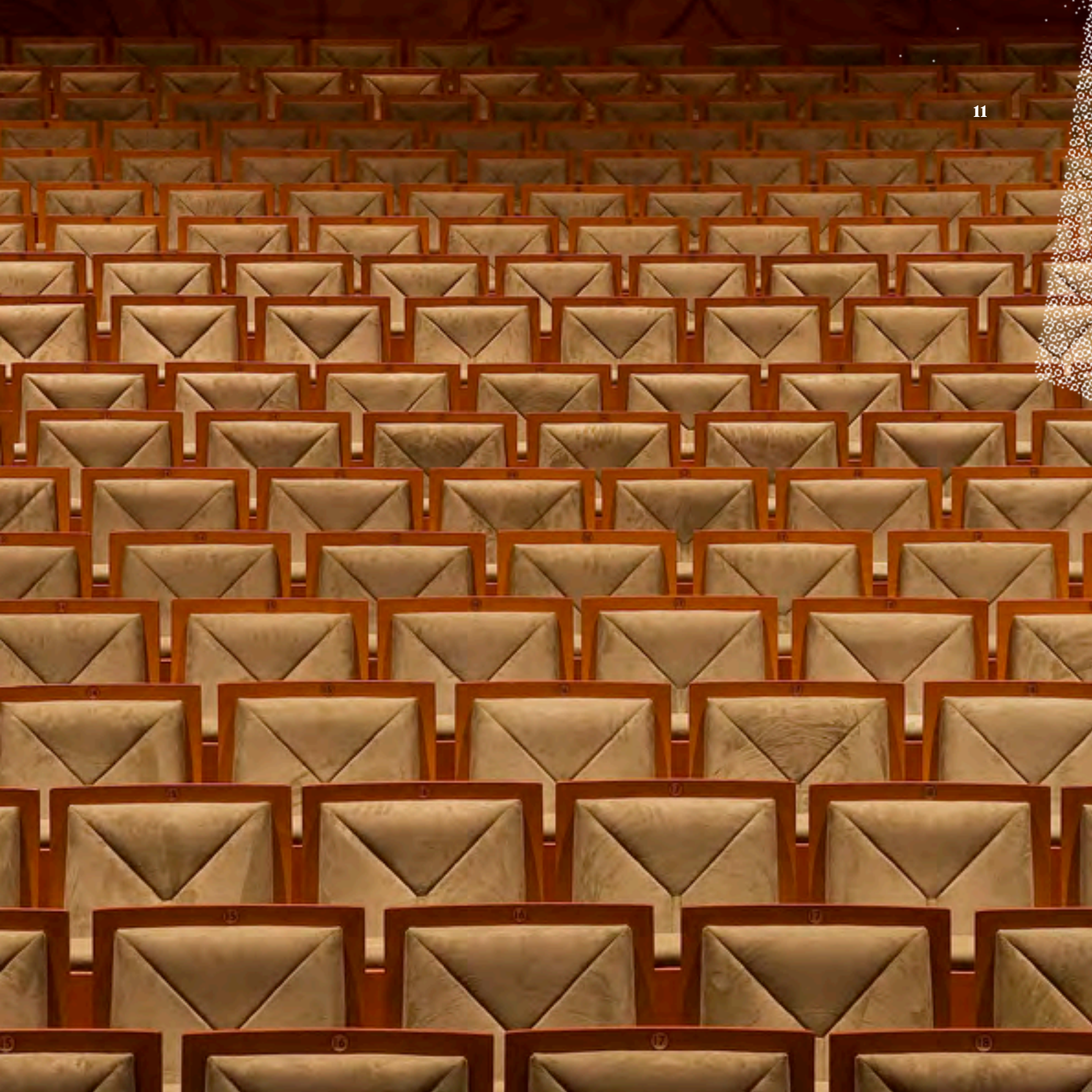
Kristian Bezuidenhout with the Freiburg Baroque Orchestra, March 2020



Meeting Mozart, *Music Play Family Festival*, January 2020

### Quarter Three

Bushfires dominated Victorian's thinking from December, impacting communities throughout the state with horrifying images of destruction. Audiences were resilient throughout, but attendance was slightly impacted as confidence was shaken. As always, our summer season commenced with *Music Play Family Festival*, this year unveiling the first Betty Amsden Commission (and our final 10 Commissions project) *The Wonderland*, featuring the Federation Bells. Justine Clarke, Simon Tedeschi as Mozart, and Mr Snotbottom entertained our largest audiences to date. Summer programming was typically diverse, with performances from: Holly Herndon; Tenebrae Choir; Leather Lungs; Taikoz & Lingalayam's *Chi Udaka* (Asia TOPA); Moon Duo; Kae Tempest; Weyes Blood; pianist Garrick Ohlsson (Musica Viva); 3MBS 250 Beethoven Marathon; and Patty Griffin. Our 2020 Signature Event showcased Freiburg Baroque Orchestra and fortepianist Kristian Bezuidenhout playing all five Beethoven piano concertos across two nights. This was the last major event we presented in Elisabeth Murdoch Hall before closure. The preparation for this tour was fraught, first by civil unrest in Hong Kong impacting the planned tour itinerary, then bushfires, then coronavirus removing all possibility of other presenters being part of this tour. Freiburg Baroque was the most brilliant, accommodating and resourceful partner, and we're thankful to the Orchestra for maintaining confidence in our ability to create what turned out to be its last performance anywhere for many months.



## Quarter Four

The effects of coronavirus hit us hard in this final quarter of the year, as we cancelled all events through 30 June. Our *Performer Support Fund*, created to raise funds to go directly to the artists impacted by these cancellations, was enthusiastically supported and approved by the Board, and has proven to be an enormously valuable resource in maintaining and supporting relationships with our treasured artists. Venue Hire deposits were returned to hirers similarly impacted. The impact of this crisis on artists and audiences can't be underestimated - concert-going as we previously knew it is likely to be forever changed, the viability of the sector is under threat and freelance

musicians will need to rebuild careers. We will need to rethink the way we promote and present concerts, and every detail of performance, from preparation and rehearsal to selling tickets and food and beverages, previously well established and honed over decades of experience and planning, will need to be re-examined, tested and challenged. If nothing else, it has reminded us of the importance of not just music in our lives, but the importance of connecting artists and audiences, together in one space, to create those personal moments of reflection and elation that define us.

# 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 International Arts 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.



Joan As Police Woman, Melbourne International Arts Festival, October 2019



Brahms' Requiem, Melbourne Symphony Orchestra Chorus, October 2019

## Thank You to Our Key Presenting Partners and Hirers

3MBS FM	Hamshahri Publishing	Royal Melbourne Hospital Foundation
Abstract Touring	Hoang Pham Productions	Ruyton Girls School
ACMI X	International Academy of Musical Arts	Sacre Coeur
Alphington Grammar School	John Cristian Productions	Shoso Shimbo
Andrew Kay & Associates	Korowa Anglican Girls School	St Catherine's School
Anouska Taylor	Live Performance Australia	St. Michael's Grammar School
Australian Boys Choral Institute	Loreto Mandeville Hall Toorak	Sydney International Piano Competition
Australian Brandenburg Orchestra	Lowther Hall Anglican Grammar School	Tall Poppies Records
Australian Chamber Orchestra	Melba Opera Trust	TEG Dainty
Australian Communities Foundation	Melbourne Beethoven Quartet	The Herald and Weekly Times
Australian Music Centre	Melbourne Chamber Orchestra	The Song Company
Australian National Academy of Music	Melbourne Girls Grammar	The Wiggles
Australian Romantic & Classical Orchestra	Melbourne High School	Tim Woods Entertainment
Australian School of Performing Arts	Melbourne International Arts Festival	Tombowler Blue
Australian String Quartet	Melbourne Symphony Orchestra	Tose MADE
AWR Music Productions	Melbourne Youth Orchestras	The University of Melbourne
Blue Moon Entertainment	Mount Hira College	VAPAC
Castiglione Arts and Culture	Musica Viva Australia	Victorian College of the Arts Secondary School
Christopher Latham	Musical Association of Australia	Victorian Curriculum & Assessment Authority
Creative Victoria	Natalya Aynsley	Victorian Opera
Daniel Le	National Institute of Dramatic Art	Wantirna College
Decca Classical Label Group	Oliver McGill	Welsh Choir of Victoria
Fairfax Media Publications	Omega Ensemble	Wesley College
Gracie Music	One Entertainment	Westbourne Grammar School
Haileybury	Presentation College Windsor	William Buckland Foundation

# TREATY



‘From booking through arriving, the performance and leaving was wonderful!’

Audience Member

## Australian and World Premieres

Composer	Title	Date
Annika Socolofsky	<i>Don't Say a Word</i> °	3/7/2019
Dmitri Tymoczko	<i>Ghosts</i> +	3/7/2019
Erin Gee	<i>Mouthpiece 28</i> °	3/7/2019
Amy-Beth Kirsten	<i>World Under Glass No.2</i> °	3/7/2019
James MacMillan	<i>Fourteen Little Pictures</i> °	6/7/2019
Chen Yi	<i>Ballad of the Earth</i> +	23/7/2019
Chen Yi	<i>Memory</i> °	23/7/2019
Angel Lam	<i>First Wind of May</i> °	23/7/2019
Zhou Long	<i>Wild Grass for Solo Cello &amp; Tape</i> °	23/7/2019
Pat Metheny	<i>Heat of the Day</i> °	6/8/2019
Pat Metheny	<i>Letter From Home</i> °	6/8/2019
Martin Bresnick	<i>Bundists</i> °	7/8/2019
Mayke Nas	<i>Cleaning Instructions</i> °	7/8/2019
Kate Neal & Sal Cooper	<i>Commuter Variations</i> +	7/8/2019
Erik Griswold	<i>Danny Boy adrift in the rising tide</i> +	7/8/2019
Kevin March	<i>La Noche Oscura</i> +	7/8/2019
Toby Twining	<i>An American in Buenos Aires</i> °	23/8/2019
Mostel Raphael	<i>Star-Spangled Etude No.3 ('Furling Banner')</i> °	23/8/2019
Salina Fisher	<i>Mono No Aware</i> +	3/9/2019
Mason Bates	<i>Mothership</i> +	12/9/2019
Bob Sedergreen	<i>Alone and Blue</i> °	20/9/2019
Mal & Bob Sedergreen	<i>Apra Air</i> °	20/9/2019
Bob Sedergreen	<i>Blow n Clap</i> °	20/9/2019
Bob Sedergreen	<i>Circle of Life</i> °	20/9/2019
Bob Sedergreen	<i>Drive Time</i> °	20/9/2019
Mal Sedergreen	<i>Eternal Spirits</i> °	20/9/2019
Bob Sedergreen	<i>Intersection</i> °	20/9/2019
Bob Sedergreen	<i>Opportunity</i> °	20/9/2019
Steve Sedergreen	<i>Prayer for Lost Souls</i> °	20/9/2019
Bob Sedergreen	<i>Prelude to Celli</i> °	20/9/2019
Mal Sedergreen	<i>The Quiet Achiever</i> °	20/9/2019
Mal Sedergreen	<i>Tonight</i> °	20/9/2019
Bob Sedergreen	<i>Why</i> °	20/9/2019
Alice Humphries	<i>Strike a Light Burn it Bright</i> +	23/9/2019
Andrew Byrne	<i>Ghost in the Machine</i> +	26/9/2019
Tansy Davies	<i>Grind Show (Electric)</i> °	26/9/2019
Nat Bartsch	<i>Homecoming</i> +	30/9/2019

+ World premiere ° Australian premiere

Composer	Title	Date
Stephanie Arnold	<i>Happy to Chat</i> +	30/9/2019
Louisa Trewartha	<i>Things We Carry</i> +	30/9/2019
Andrew Ford	<i>Scenes from Streeton</i> +	9/10/2019
Cayn Borthwick	<i>Three Pieces</i> +	9/10/2019
William Nisbet	<i>The Sow's Tail</i> °	14/10/2019
Dror Feiler	<i>Even the blood must sleep</i> °	15/10/2019
Mike Svoboda	<i>Music for Trombone, Piano &amp; Percussion</i> °	15/10/2019
Donnacha Dennehy	<i>Bridget</i> +	18/10/2019
Nick Haywood	<i>Bay of Fires</i> +	25/10/2019
Colin Hopkins	<i>Bob</i> +	25/10/2019
Niko Schauble	<i>Clear Waters</i> +	25/10/2019
Nick Haywood	<i>Kunanyi</i> +	25/10/2019
Deborah Cheetham	<i>Insieme Yapeneyepuk Together</i> +	13/11/2019
Livia Teodorescu-Ciocănea	<i>Berenice</i> +	22/11/2019
Calvin Bowman	<i>Three Shakespeare Songs</i> +	23/11/2019
Pēteris Vasks	<i>String Quartet No.4</i> °	26/11/2019
Keith Jarrett	<i>The Köln Concert</i> °	26/11/2019
Dr Ros Bandt	<i>Celebration</i> +	3/12/2019
Wang Zheng-Ting & Adam Simmons	<i>Soliloquy</i> +	3/12/2019
Nico Muhly	<i>Shrink</i> +	4/12/2019
Sara Glojnarić	<i>Indispensable Ms. Jones</i> °	5/12/2019
Gemma Peacocke	<i>Quiver</i> °	5/12/2019
Nicole Lizée	<i>Sculptress</i> °	5/12/2019
Chris Pickering	<i>Lesser Heroes</i> +	10/12/2019
Yihan Chen	清涼 ( <i>still</i> ) °	10/12/2019
Tim Dargaville	<i>Transcience</i> +	10/12/2019
Richard Mills	<i>Three Antiphons of Hildegard of Bingen</i> +	13/12/2019
Richard Mills	<i>Three Songs for Buddy</i> +	13/12/2019
Richard Mills	<i>Three Songs from In Tempore Bello</i> +	13/12/2019
Julia Potter	<i>Belonging and Longing to Be</i> +	10/2/2020
Mikalojus Konstantinas Čiurlionis	<i>Preludes</i> °	26/2/2020
Gerard Brophy	<i>Anatolia</i> +	27/2/2020
Erkki-Sven Tüür	<i>Architectonics</i> °	27/2/2020
Greg Caffrey	<i>...and peace comes dropping slow</i> °	12/3/2020

# 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

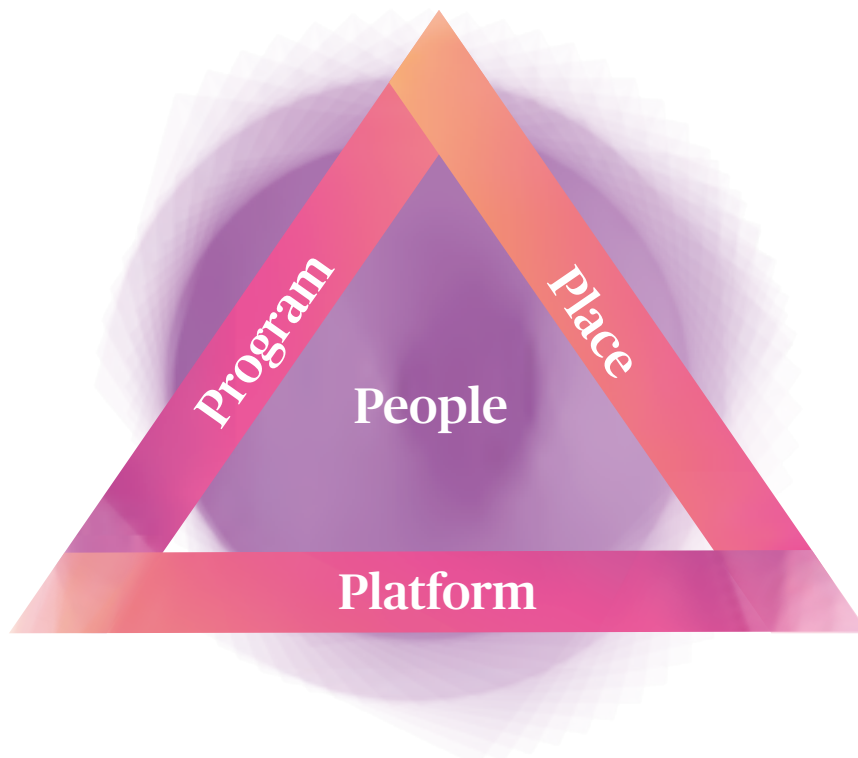
Enabling transforming performances in and beyond the Centre.

## 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 2019-2020



Taiko & the Lingalayam Dance Company, Chi Udaka, January 2020

## Program

<b>Objective</b>	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.
<b>Impact</b>	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.
<b>Key Strategies</b>	<ul style="list-style-type: none"> <li>• Connect audiences within inspiring high-quality live music on site, off-site and online.</li> <li>• Deliver programs that challenge the status quo and extend and enrich audiences, art forms and artists.</li> <li>• Enrich Victoria's cultural ecosystem through collaboration and partnerships which enable learning, access and engagement opportunities.</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• Learning &amp; Access strategy well established, although funding is still principally reliant on philanthropic support as well as trusts and foundations.</li> <li>• The Centre presented Taiko and the Lingalayam Dance Company in two performances of <i>Chi Udaka</i> as part of Asia TOPA in February 2020. Other Asia TOPA Salon programs deferred due to COVID-19 impact.</li> <li>• The <i>Music for Victoria</i> program provided over 10 ensembles the opportunity to tour the state entertaining more than 700 Victorians. A master class program for young artists has been established.</li> <li>• Three successful concerts programmed in Hanson Dyer Hall in late 2019.</li> <li>• New relationships were created with Spring Bay Mill Tasmania, City Recital Hall Sydney, and Canberra Festival of Chamber Music. COVID-19 has negatively impacted further development of touring partnerships.</li> </ul>



Mojo Jujū, November 2019

# People

<b>Objective</b>	People - artists, audiences, stakeholders and the wider community - are at the core of what we do.
<b>Impact</b>	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.
<b>Key Strategies</b>	<ul style="list-style-type: none"> <li>• Deepen engagement with our communities to ensure relevance, leadership and social impact through creativity, wellbeing and lifelong learning.</li> <li>• Harness advocacy from our community to excite prospective audiences and supporters.</li> <li>• Embed objectives of diversity, enhanced wellbeing and social cohesion in everything we do.</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• The Centre's digital broadcast program, <i>Soundscapes</i> and publications have articulated our contribution to Victoria's position as a cultural leader.</li> <li>• Our social impact measurement tool has been integrated into the Centre's processes and provides longitudinal data to report on and inform our activities.</li> <li>• The Centre's Reconciliation Action Plan details our approach to communicating with and for First People artists and audiences. Our diverse program has attracted an increasingly diverse audience.</li> <li>• Three-year Development Plan launched with focus on donor acquisition and pipelining across all Levels.</li> <li>• The Centre's Reconciliation Action Plan was ratified by Reconciliation Australia, launched across the organisation at the All Staff Meeting in June 2020 and published on the Centre's website.</li> </ul>



# Place

<b>Objective</b>	Melbourne Recital Centre is a superb place to make and experience music - on site, off-site and online.
<b>Impact</b>	We are at the live music heart of Victoria, contributing to increased visitation, increased vibrancy and a stronger sense of place for Southbank.
<b>Key Strategies</b>	<ul style="list-style-type: none"> <li>• Steward Melbourne's best and most distinctive live music venue and advocate for its future.</li> <li>• 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.</li> <li>• Have infrastructure in place which supports and deepens engagement beyond our program.</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• Consolidation of Visitor Experience structure and implementation in progress with Visitor Experience Manager appointed.</li> <li>• Conversations with The University of Melbourne ongoing pending renewal of partnership.</li> <li>• Foyer Bar tender complete with Blondie lease renewal ongoing.</li> <li>• Website scoping now incorporated into digital project strategies.</li> <li>• The Southbank Boulevard project reached a major milestone with construction of the Arts Gateway open space now complete. Melbourne Recital Centre continues the work with our precinct partners on the development of a placemaking plan for the Melbourne Recital Centre/Sturt Street street gateway.</li> <li>• Organisational priorities have changed in response to current operating environment and funding has not been sought for an enhance digital foyer experience.</li> </ul>



# Platform

<b>Objective</b>	We strive for business excellence to ensure success and agility through continuous improvement. We are a learning organisation with a passionate and committed team.
<b>Impact</b>	The Centre is a model that others seek to emulate and stakeholders point to with pride.
<b>Key Strategies</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Mature our business model in line with research, evidence and best of sector practice.</li> <li>• Ensure our processes, facilities and use of resources are fit for purpose.</li> <li>• Maximise partnership and collaboration opportunities to support growth and sustainability.</li> </ul>
<b>Actions</b>	<ul style="list-style-type: none"> <li>• The organisation and its people are reaping the benefits of the refreshed Work, Health and Safety (WHS) framework. The system is proving its strength in the current COVID-19 environment where WHS is playing a major role in supporting the safety of all.</li> <li>• Our production asset maintenance plan has matured significantly. We addressed several short- to medium term objectives and are defining our position on long term objectives.</li> <li>• We have successfully completed the upgrade of our event management system, Artifax.</li> <li>• The Operations business model cost base continues to be under review, taking into account the new challenges and uncertainties that COVID-19 has presented to the organisation.</li> <li>• The Gala Committee reformed into an Events Planning Committee with the development of a refreshed action plan which is currently suspended due to COVID restrictions.</li> <li>• A review of the 2018-2019 Bequest program was undertaken and a revitalised program launched delivering a series of acquisition and stewarding events. New metrics established to inform the program's long term KPI.</li> <li>• Finance are continuing to utilise Microsoft Dynamics for efficient reporting on business activity.</li> <li>• Replacement devices were rolled out to over half the workforce successfully.</li> <li>• Assessment of funding and approach to a review of the business model cost base will be advanced early next year.</li> <li>• Implementation of a procurement module scheduled for the following year to align with the optimal time to introduce a new module.</li> <li>• Respectful Behaviours Campaign launched early this year and communicated to all staff throughout the year.</li> <li>• Asset strategy with supporting documentation finalised in February this year.</li> <li>• New Enterprise Agreement meetings with bargaining representatives and the Media, Entertainment and Arts Alliance (MEAA) held with an agreement to pursue a secondary pathway achieved. New In-Principle Agreement submitted to the Department of Treasury and Department of Jobs, Precincts and Regions.</li> </ul>

'We have had many happy evenings with you and this experience reinforced the high standards/service that is the Recital Centre. Thank You.'

Audience Member



Margaret Leng Tan, *Miniature Meets Monumental*, August 2019

# Development Impact Report

Melbourne Recital Centre’s community of supporters demonstrated a generosity throughout 2019-2020 that was truly inspiring. In the face of the COVID-19 crisis, the extraordinary dedication of our patrons was the decisive factor that enabled us to provide financial support to over 347 local artists, as well as sustain many of our unique learning and access programs in online versions during our period of venue closure. This enthusiasm and advocacy for our work in the face of the toughest challenge the Centre has ever faced has helped to underscore the importance of Melbourne Recital Centre in the lives of so many people from across our community and provided an inspiring vote of confidence as we plan for the future.

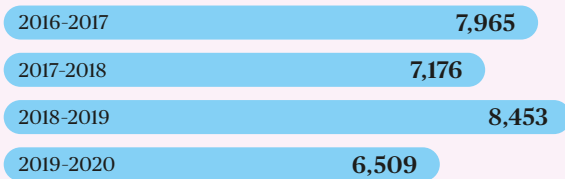
From the first announcement of our temporary venue closure in March 2020, our donor community rallied behind our pledge to support the diverse local artists who regularly brought the Centre to life with their music over the past decade. Launched in parallel with the Centre’s closure, our *Performer Support Fund* has so far seen over 1000 generous music lovers contribute over \$150,000 and join us in our commitment to provide financial assistance to those artists whose concerts were directly affected by the Centre’s closure. We sincerely thank each and every donor who contributed to this important campaign, and likewise extend our warmest welcome to more than 300 new supporters who joined our community by making their first ever gift to the Centre.

Although the COVID-19 crisis dominated the second half of the 2019-2020 financial year, it is important also to reflect upon the many wonderful musical and learning experiences that philanthropy brought to life prior to this period of closed venues and cancelled concerts. Marking the culmination of the Centre’s landmark 10th Anniversary year, the second half of 2019 rounded off a year-long celebration of great music at Melbourne Recital Centre. With the support of our 10th Anniversary Commissions donors, the months between July and December saw premiere performances of five major new works, commissioned from a diverse array of local and international composers to mark the occasion. October 2019 also saw the launch of our successful campaign in support of the Centre’s new professional development initiative for local artists, *Artist Assembly*.

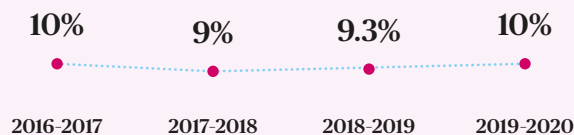
In January 2020, we welcomed a brand-new Steinway C grand piano to the Centre and introduced this beautiful new instrument to an audience for the first time at our gala dinner in February. The purchase of this new Steinway piano, for use in the Primrose Potter Salon, was made possible due to the extraordinary generosity of Gandel Philanthropy, the Steinway Giving Circle and over 1300 individual donors to the Steinway C campaign.

We extend our sincere thanks to all of our donors, sponsors and philanthropic partners for their visionary support of our work. Thank you.

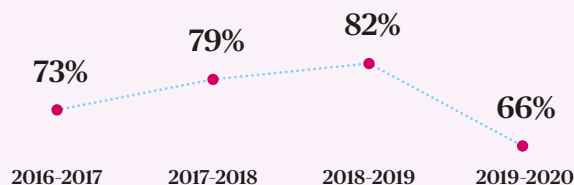
## Number of donations made



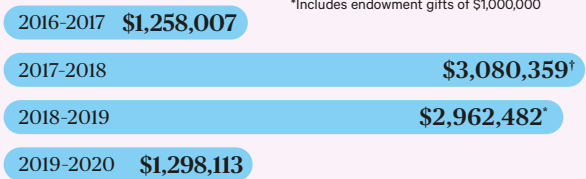
## Major gift supporters making multi-year commitments



## Renewing major gift donors

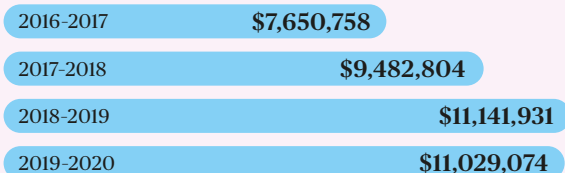


## Development income

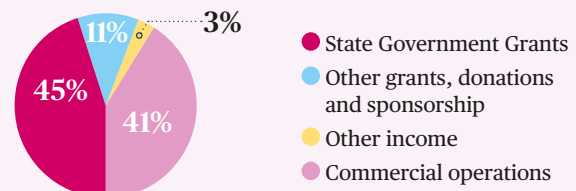


<sup>†</sup>Includes endowment gifts of \$1,500,000 including \$1,000,000 from Ms Betty Amsden, AO, DSJ  
<sup>\*</sup>Includes endowment gifts of \$1,000,000





## Value of public fund



## Melbourne Recital Centre 2019-2020 Income



**The Impact of the Centre’s Donor and Partner Community in 2019-20**

Program Area	2019-20 Indicator	
<b>Performer Support Fund</b>	347 local artists supported \$150,000 raised	 Blair Harris
<b>A vibrant and diverse musical program</b>	244 self-presented concerts 67 artists made their debut performance at the Centre 71 Australian and world premiere performances of new works 157,030* attendances at concerts and events	 The New Pornographers
<b>Enriching artist development opportunities</b>	Five specially commissioned works premiered, celebrating the Centre’s 10th Anniversary Nine participants in the <i>Accelerando</i> mentoring program for talented high-school aged music students 18 finalists given the opportunity to take part in Bach and Great Romantics competitions, with the Bach competition adapted to be delivered online	 <i>Accelerando</i> concert
<b>Empowering learning and access programs</b>	2593 participants of all ages given the opportunity to experience transformative musical performances through the Centre’s access program 132 participants in learning activities, from early childhood music sessions to advanced pre-professional master classes 701 attendees at <i>Music for Victoria</i> regional touring concerts 14% of Centre Presents content captured for online viewing and library creation	 <i>Music for Victoria</i> concert

\* Total attendance at Melbourne Recital Centre events including those beyond the Centre.



**Farewell Sandra Robertson**

In February we said farewell to our much-respected colleague, Sandra Robertson, who served as the Centre’s inaugural Director of Development from 2011. Sandra led and grew the Centre’s diverse philanthropic and partnerships programs with great skill during her time in the role, including founding our highly popular annual gala dinners, and we thank her for the immense contribution that she has made to the life and success of the Centre. Her strategic, thoughtful and highly personal approach to philanthropy was instrumental in forming the many close relationships with donors, trusts and partners from across the sector whose support has enabled the Centre to bring transformative musical experiences into the lives of so many Victorians.

We extend our thanks to Sandra for the role that she has played in helping the Centre thrive throughout our first decade of operation and we wish her well with her new role at Breast Cancer Network Australia.

# Inspired Giving

## MUSIC CIRCLE - A VIBRANT AND DIVERSE MUSICAL PROGRAM

Donors who support the depth and vibrancy of the Centre's musical program play a crucial role in ensuring that we can continue to present a rich diversity of the greatest musicians and ensembles from Australia and around the globe.

### Salon Program Benefactor

Lady Primrose Potter AC

### (\$30,000+)

Yvonne von Hartel AM, Robert Peck AM, Rachel Peck & Marten Peck of peckvonhartel architects (Signature Events Benefactors)

### (\$20,000+)

Melbourne Recital Centre Board of Directors  
Prof Andrea Hull AO, Chair  
Peter & Cally Bartlett  
Stephen Carpenter & Leigh Ellwood  
Deborah Cheetham AO  
Joseph & Nicole Corponi  
The Hon Mary Delahunty  
Paul Donnelly & Brigitte Treutenaere  
Assoc Prof Jody Evans  
Margaret Farren-Price & Prof Ronald Farren-Price AM  
Eda Ritchie AM  
Audrey Zibelman  
Ulrike Klein Foundation  
Peter & Ruth McMullin

### (\$10,000+)

Warwick & Paulette Bisley (Great Performers Leadership Supporters)  
Maria Sola (Great Performers and Local Heroes Leadership Supporters)  
Dr Michael Troy

### (\$7500+)

John & Lorraine Bates  
The Benjamin Fund (Great Performers Leadership Supporters)

### (\$4000+)

Anonymous (1)  
Ballandry (Peter Griffin Family Fund)  
Catherine Heggen & Tim Biles  
Jim Cousins AO & Libby Cousins  
Jenny & Peter Hordern  
Diana Lempriere  
The Myer Foundation  
Cathy Lowy  
Janet Thomson  
Dr Victor Wayne & Dr Karen Wayne OAM

### (\$2500+)

Anonymous (1)  
Alastair Campbell & Sue Campbell  
Kathy & George Deutsch OAM  
Ann Lahore  
Shelley & Euan Murdoch  
Dr Paul Nisselle AM  
Greg Noonan  
Ian Nowak & Kathleen Nowak  
Geoff & Jan Phillips (Great Performers Leadership Supporters)  
David Robinson  
Sirius Foundation

### (\$1000+)

Anonymous (1)  
Liz & Charles Baré  
Adrienne Bassier  
Helen Brack  
John Castles AM & Thelma Castles OAM  
Min Li Chong  
Laurie Cox AO & Julie Ann Cox AM  
Danielle Davis & Joyce Marks  
Mary Draper  
Lord Francis Ebury & The Late Lady Suzanne Ebury  
Maggie Edmond  
Angela Glover  
Andrea Goldsmith  
Ann Gordon  
Nance Grant AM MBE & Ian Harris  
Henkell Family Fund  
In memory of Beryl Hooley  
Dr Garry Joslin & Prof Dimity Reed AM  
Dr Anne Lierse  
Baillieu Myer AC & Sarah Myer  
Rupert Myer AO & Annabel Myer  
Stephen Newton AO  
Mary Nugent  
Elizabeth O'Keefe  
Helen Perlen  
Kerryn Pratchett  
Sandra Robertson & Philip Cachia  
Dr Peter Rogers & Cathy Rogers  
In Memory of Pauline Speedy  
Patricia Swansson  
Pearl Tang (including matching from Pricewaterhouse Coopers)  
The Yulgibar Foundation

### (\$500+)

Anonymous (1)  
Jenny Anderson  
Alistaire Bowler  
Mrs Jean Dunn  
Jennifer Marshall  
Ian Suren  
Dr Diane Tibbits

## 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.

### (\$50,000+)

Peter & Ruth McMullin (Public Space Activations)

### (\$40,000+)

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

### (\$30,000+)

The Hansen Little Foundation  
Lady Marigold Southey AC

### (\$20,000+)

The Betty Amsden Foundation

### (\$10,000+)

Krystyna Campbell-Pretty AM  
Linda Herd

### (\$4000+)

D & X Williamson Family Charitable Fund  
The Jack & Hedy Brent Foundation  
Helen & Michael Gannon

Kathryn Greiner AO (Mary Vallentine Limitless Stage Fund)

Maria McCarthy

### (\$2500+)

Anonymous (1)  
Kaye Birks in the memory of David  
Anne Burgi & Kerin Carr

### (\$1000+)

Anonymous (2)  
Keith & Debby Badger  
Jane Bloomfield  
Gras Foundation Trust  
Maria Hansen  
In memory of Beryl Hooley  
Daniel Kovacs  
Greg Shalit & Miriam Faine  
Maria Mercurio  
Mark & Jane Wilson

### (\$500+)

Anonymous (2)  
Catherine Belcher  
Dr Kaye Birks in memory of David  
Dr Margot Bredahl  
Peter Heffey  
Dr Robert Hetzel  
Irene Kearsey & Michael Ridley  
Alison Leslie  
Marshall McGuire  
Dennis & Fairlie Nassau  
Andrew & Georgina Porter  
Anny Shaw

## NUTURING 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 DJSJ

### Merlyn Myer Music Commission

The Aranday Foundation  
The Yulgibar Foundation

### (\$50,000+)

Lady Primrose Potter AC

### (\$20,000+)

Mrs Margaret S Ross AM & Dr Ian C Ross (Great Romantics Competition Leadership Supporters)  
Joy Selby Smith

### (\$10,000+)

Annamila Pty Ltd  
Warwick & Paulette Bisley  
Jane Kunstler  
James Ostrobrurski & Leo Ostrobrurski

### (\$4000+)

Andrew & Theresa Dyer  
Linda Herd  
Mary-Jane Gething  
Susan Pelka & Richard Caven  
Vivienne Ritchie  
Vivian Wei Wang  
Lyn Williams AM

### (\$2500+)

Greg Noonan

### (\$1000+)

Peter J Armstrong  
John & Chris Collingwood  
Dr Kingsley Gee  
In memory of Beryl Hooley  
Dianne Jacobs  
In memory of The Late Harry Johnson  
Martine Letts  
Dr Richard Mills AM

### (\$500+)

The Hon Mary Delahunty  
Anne Frankenberg & Adrian McEniery  
Maria Mercurio

## 2020 ANNUAL GALA DINNER DONORS

Donations made at the Annual Gala Dinner go towards supporting Share the Music, our ticket and transport subsidy program, as well as Artist Assembly, our new pilot initiative to provide professional development opportunities for over 400 Victorian musicians.

### (\$10,000+)

Simon & Mary Bishop  
Krystyna Campbell-Pretty AM  
Angelina & Graeme Wise  
Igor & Jenny Zambelli

### (\$5000+)

The Benjamin Fund  
Konfir Kabo & Monica Lim  
Julie Kantor AO  
Silvia & Michael Kantor  
Sentinel Foundation  
Joy Selby Smith  
John Simpson & Cathy Simpson

### (\$2500+)

Jo Fisher & Peter Grayson  
Paul Donnelly & Brigitte Treutenaere  
Mary Vallentine AO

### (\$1000+)

Mary Beth Bauer  
Lin Bender AM  
Bill Burdett AM & Sandra Burdett  
Maggie Cash  
Christine & Michael Clough  
Jim Cousins AO & Libby Cousins  
Assoc Prof Jody Evans  
Kathryn Fagg AO  
Colin Golvan AM QC & Dr Deborah Golvan  
Nance Grant AM MBE & Ian Harris  
Linda Herd  
John Howie AM & Dr Linsey Howie  
Prof Andrea Hull AO & Jeremy Drew  
Maria Johnson  
Peter Jopling AM QC  
Ian & Gill McDougall  
Dr Paul Nisselle AM & Sue Nisselle  
Tim Orton & Barbara Dennis  
Prof David Penington AC & Dr Sonay Hussein  
Lady Primrose Potter AC  
Susan Renouf  
Mrs Margaret S Ross AM & Dr Ian C Ross  
Michael Ullmer AO  
Dr Victor Wayne & Dr Karen Wayne OAM  
Lyn Williams AM



**(\$500+)**

Arnold & Mary Bram  
Alastair Campbell &  
Sue Campbell  
The Right Hon Sally Capp &  
Andrew Sutherland  
George & Laila Embelton  
Dr Garry Joslin &  
Prof Dimity Reed AM  
David Klempfner  
Sally Macindoe  
Peter & Ruth McMullin  
Message Consultants  
Australia  
Lucy Morton  
Christine Sather  
Jacqueline Schwarz

**PERFORMER  
SUPPORT FUND**

Donations made to help us  
provide crucial financial  
assistance to our  
community of local artists  
whose performances are  
directly affected by this  
period of closure.

**(\$20,000+)**

Joy Selby Smith

**(\$5000+)**

George & Laila Embelton

**(\$1000+)**

Donald Abell  
Mr Phillip Antippa OAM &  
Dr Tracey Huntley  
Helen Brack  
Dr Jean McMullin &  
Dr Catherine Brennan  
Kerin Carr  
Colin Coleman  
Trevor Edwards  
Ann Gordon  
Christina Hayward  
Luke Heagerty  
Catherine Heggen  
Linda Herd  
Irene Kearsey &  
Michael Ridley  
Dr Charlotte Slade &  
Assoc Prof Sebastian King  
Simon Le Plastrier  
Cathy Lowy  
Janet McDonald  
Maria Mercurio  
Dr Rosemary Nixon  
Elizabeth O'Keefe  
Jacqueline Schwarz  
Graeme Smith  
Dr Ashley Sparrow  
Dr Vaughan Speck  
Jenny Tatchell

**(\$500+)**

Bruce Anderson  
Jenny Anderson  
Leon Bach  
John & Lorraine Bates  
Dr Christine Bayly  
Catherine Belcher  
Matthew Bond  
Maggie Cash  
Dr Helen Cox  
Mrs Emily Cross  
Assoc Prof Jody Evans  
Dr Kingsley Gee  
Janine Gleeson  
Maria Hansen  
Assoc Prof James Hurley  
Sean King  
Amanda Kube  
Ann Blake  
Dr John F Mills  
Hyonju Newman  
Linda Norman  
Mary Nugent  
Katherine Rechtman  
Alannah Rice &  
Stephen McLaughlin  
John Rosenbloom &  
Kathryn Earp  
Jane Russell  
Rosalind Wallis  
Morris Waters & Shulan Guo  
Philip Wendt  
Ruth Woods

**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 -  
Check amount

Arnold & Mary Bram

**(\$7500+)**

George & Laila Embelton

**(\$5000+)**

The Hon Susan Crennan AC QC

& Dr Michael Crennan QC

Kathryn Fagg AO

Jo Fisher

Lyndsey & Peter Hawkins

Igor & Jenny Zambelli

**(\$3000+)**

Christine Sather

Dr Cherylyn Tillman &

Tam Vu

**(\$1000+)**

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

**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+)**

Naomi Golvan &  
George Golvan QC

Peter B Murdoch QC &  
Helen Murdoch

**(\$2500+)**

Anonymous (1)

Colin Golvan AM QC &  
Dr Deborah Golvan

Maya Rozner & Alex King

Peter J Stirling &  
Kimberley Kane

**(\$1000+)**

John & Marcia Arthur

The Hon Alex Chernov AC QC  
& Mrs Elizabeth Chernov

Christine Clough

The Hon Justice Julie  
Dodds-Streeton

Timothy Goodwin

Robert Heathcote &  
Meredith King

John Howie AM &  
Dr Linsey Howie

Anthony J & Philippa M Kelly

Maryanne B Loughnan QC

Elizabeth O'Keefe

Ralph & Ruth Renard

Meredith Schilling

Tom Smyth

Helen Symon QC &  
Ian Lulham

**(\$500+)**

Elizabeth Boros

Hon Justice David Byrne QC

Leslie G Clements

The Hon Hartley  
Hansen AM QC &  
Rosalind Hansen

The Hon Peter Heerey AM QC  
& Sally Heerey

David Klempfner

Morris & Helen Margolis

**Medical Friends of  
Melbourne Recital Centre****(\$2000+)**

Dr Charlotte Slade &  
Assoc Prof Sebastian King

**(\$1000+)**

Mr Phillip Antippa OAM &  
Dr Tracey Huntley

Michael Bennett &  
Kate Stockwin

Dr Catherine Brennan &  
Dr Jean McMullin

Dr Jean McMullin &  
Dr Catherine Brennan

Professor Rod Hunt &  
Mr Michael Sharpe

Dr John F Mills

Dr Rosemary Nixon

**Steinway Giving Circle****Benefactor Patron**

Gandel Philanthropy

**(\$30,000+)**

Krystyna Campbell-Pretty AM

**(\$10,000+)**

Anonymous (1)

John Calvert-Jones AM &  
Janet Calvert-Jones AO

The Late Brian Goddard

Dr Alastair Jackson AM

Lady Primrose Potter AC

Skipp Williamson &  
Carol Haynes

**(\$5000+)**

Warwick & Paulette Bisley

Arnold & Mary Bram

The Hon Susan Crennan AC QC  
& Dr Michael Crennan QC

Angelina & Graeme Wise

**(\$2500+)**

Bruce Parncutt AO

**(\$1000+)**

Anonymous (1)

Kaye Cleary

Tim Conrad

Craig K Coulson

Janine & Timothy Fredman

Roger Gillard & Sohwon Kim

Linda Herd

David Lee

Jay Lee & Muriel Yang

Geoff & Jan Phillips

Professor Margaret Plant

Mrs Margaret S Ross AM &  
Dr Ian C Ross

Sirius Foundation

Vivian Wei Wang

Dr Victor Wayne &  
Dr Karen Wayne OAM

**(\$500+)**

Jane Bloomfield

In memory of Beryl Hooley

Dianne Jacobs

Maria Johnson

Dr Garry Joslin &  
Prof Dimity Reed AM

Janet McDonald

David Poulton

**A LASTING LEGACY**

Through marking a legacy,  
this extraordinary group of  
donors support the future of  
the Centre's vibrant and  
diverse programs both now  
and for generations to come.

**Inaugural Patrons**

Jim Cousins AO &  
Libby Cousins

Anonymous (4)

Jenny Anderson

The Late Betty Amsden AODSJ

John & Lorraine Bates

Barbara Blackman AO

Jennifer Brukner

Ken Bullen

Jen Butler

Kingsley Gee &  
Zhen Fu Guan

Jenny & Peter Hordern

Dr Garry Joslin

Jane Kunstler

Janette McLellan

Elizabeth O'Keefe

Penny Rawlins

Prof Dimity Reed AM

Vivienne Ritchie

Sandy Shaw

The Estate of Beverley  
Shelton & Martin

Schönthal

Mary Vallentine AO

**Seat Dedications**

Joanna Baeviski

Lowina Blackman

Lord Francis Ebury

Colin Golvan AM QC &  
Dr Deborah Golvan

Luke Heagerty

Louise Heggen

Maria Johnson

Jane Kunstler

Diana Lempriere

Evelyn Pose

Jenny Tatchell

*List of Patrons as at  
30 June 2020*

# Our Partners

## Founding Patron

The Late Dame Elisabeth Murdoch AC DBE

## Board Members

Prof Andrea Hull AO, Chair  
 Peter Bartlett  
 Stephen Carpenter  
 Prof Deborah Cheetham AO

Joseph Corponi (retired March 2020)  
 The Hon Mary Delahunty  
 Paul Donnelly  
 Assoc Prof Jody Evans

Margaret Farren-Price  
 Liz Grainger  
 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 AO  
 Richard Mills AM  
 Jordi Savall  
 Mary Vallentine AO

## Principal Government Partner



## Business Partner



## Supporting Partners



## Program Partners



## Foundations





Richard Mills AM

## Life Members

This year the Centre's family of Life Members welcomed new inductee Richard Mills AM.

Richard Mills AM's association with Melbourne Recital Centre began years before the venue was built when he was a member of the Industry Reference Group that helped develop the architects brief. Since then, Richard has been a Board Director (2009-12), and annual donor to the Elisabeth Murdoch Creative Development Fund (2010-18) in support of the Bach Competition, which he helped establish in 2010. Richard is highly regarded for his artistic leadership across the arts sector, exemplified by his roles as Artistic Director with Victorian Opera and West Australian Opera. He is in high demand as a conductor and his prolific compositions span vocal, choral, orchestral, chamber and instrumental styles.

### 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 AO**

**Richard Mills AM**

**Jordi Savall**

**Mary Vallentine AO**

# Our People

## Board of Directors



Prof Andrea Hull AO



Peter Bartlett



Stephen Carpenter



Prof Deborah Cheetham AO



Joseph Corponi



The Hon Mary Delahunty



Paul Donnelly



Assoc Prof Jody Evans



Margaret Farren-Price



Liz Grainger



Eda Ritchie AM



Audrey Zibelman

### Professor Andrea Hull AO

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.

### Peter Bartlett

Appointed 3 March 2012. Reappointed 22 June 2015 and 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,

Appointed 3 March 2012. Reappointed 22 June 2015 and 3 March 2018. Acting Chair from 3 March 2019 to 9 June 2019.

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.

### **Professor Deborah Cheetham AO**

**Appointed 7 October 2019.**

Deborah Cheetham, Yorta Yorta woman, soprano, composer and educator has been a leader and pioneer in the Australian arts landscape for more than 25 years. In the 2014 Queen's Birthday Honours List, Cheetham was appointed as an Officer of the Order of Australia (AO) for 'distinguished service to the performing arts as an opera singer, composer and artistic director, to the development of Indigenous artists, and to innovation in performance.'

### **Joseph Corponi**

**Appointed 3 March 2012. Reappointed 22 June 2015 and 6 March 2017. Retired 02 March 2020.**

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.**

Chief Executive Officer of Flagstaff Partners Pty Ltd; 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.

### **Liz Grainger**

**Appointed 3 March 2020.**

Independent consultant specialising in strategy, governance and financial management. Fellow of the Institute of Chartered Accountants in England and Wales; graduate member of the Australian Institute of Company Directors; director of Film Victoria, Geografia and The Mission for Seafarers Victoria Inc; and external member of the Victoria Police Audit and Risk Committee. Former positions include: director of Arena Theatre Company and Craft Victoria; external member of the Film Victoria and Southern Metropolitan Cemeteries Trust Audit and Risk Committees; several interim executive roles in the Victorian and Federal public sectors; CFO/General Manager Operations National Gallery of Victoria; and Group Manager Deloitte (London).

### **Eda Ritchie AM**

**Appointed 14 July 2014. Reappointed 6 March 2017 and 3 April 2020.**

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.

### **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 (NYSPSC); 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)

Liz Grainger (INDEPENDENT MEMBER)

Paul Donnelly (INDEPENDENT MEMBER)

Andrea Hull AO (INDEPENDENT MEMBER)

### Remuneration and Nominations Committee

Andrea Hull AO, Chair

Peter Bartlett

Stephen Carpenter

### Executive Committee of Management

Andrea Hull AO, Chair

Peter Bartlett

Stephen Carpenter

Deborah Cheetham AO

Joseph Corponi: Retired 2 March 2020

The Hon. Mary Delahunty

Paul Donnelly

Assoc Prof Jody Evans

Margaret Farren-Price

Liz Grainger: Appointed 3 March 2020

Eda Ritchie AM

Audrey Zibelman

### 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 the Centre's Development and Partnership advisory committees.

Eda Ritchie AM, Chair

Peter Bartlett

Paul Donnelly

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) Resigned 15 June 2020

## 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

Resigned 29 August 2019

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

### Director of Corporate Services

Sarah MacPherson

Appointed 2 January 2020

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

### Head of Operations

Jasja van Anandel

Event and Production Management, Technical, Stage Door

### Director of Marketing & Customer Relations

Robert Murray

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

### Director of Programming

Marshall McGuire

Artistic Programming, Venue Hire

### Director of Development

Sandra Robertson

Resigned 21 February 2020

Sponsorship, Philanthropy

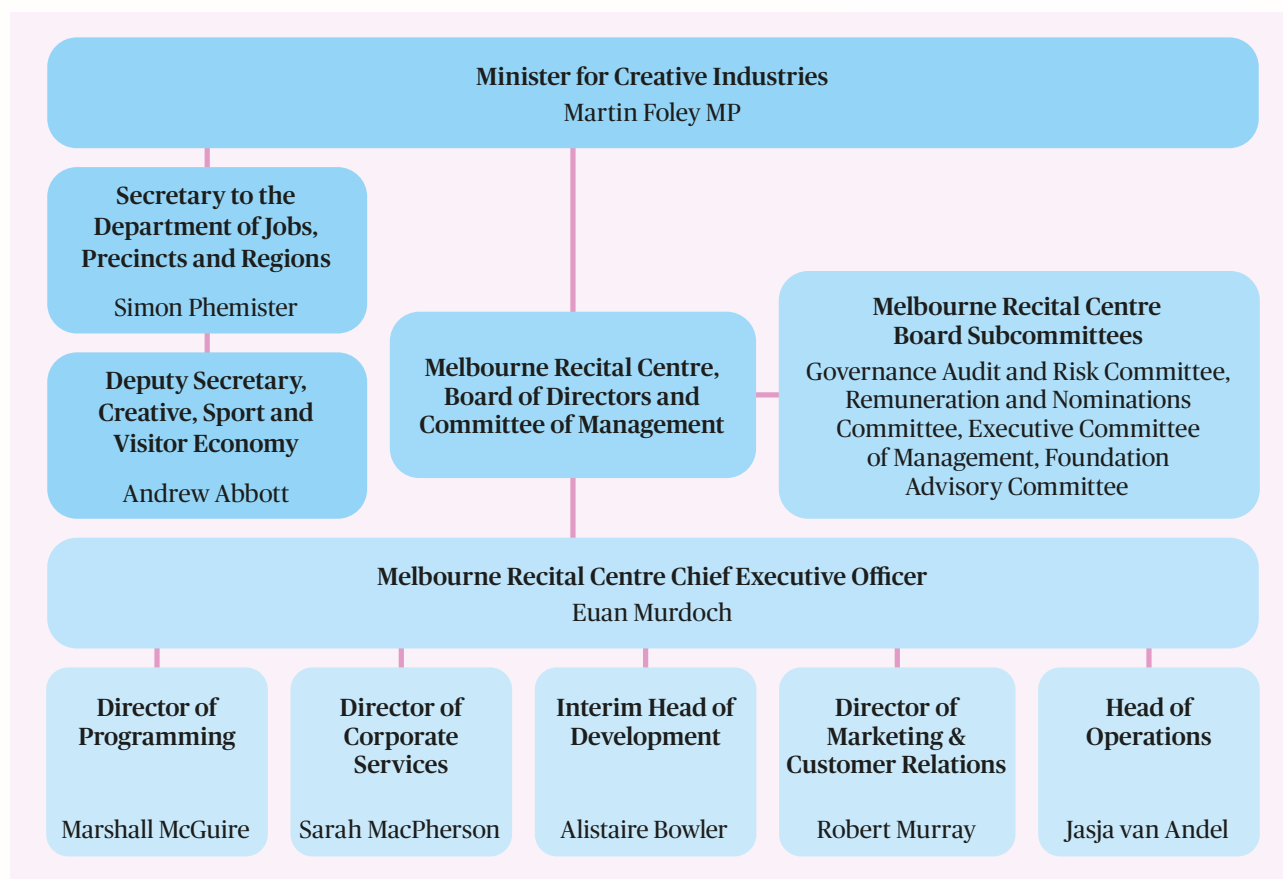
### Interim Head of Development

Alistaire Bowler

Appointed 24 February 2020

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. Measures are consistent with the level of utilisation of the venue, although electricity and gas consumption has decreased year on year due to energy efficiency initiatives. This year however, the building closed on March 16 due to the government's State of Emergency declaration at the start of the pandemic. Therefore, the consumption of electricity, gas and water and waste produced were all substantially lower than the previous year.

Key measures		2019-20	2018-19
Electricity, total consumption	Kilowatt Hr (kWh)	893,744	1,145,590
Natural gas, total consumption	Megajoules (Mj)	2,148,616	2,311,119
Water, total consumption	Kilolitres (kL)	2126	2,344
Electrical greenhouse gas emissions	Tonnes of CO <sub>2</sub> e	1000.99	1,374.71
Natural gas greenhouse gas emissions	Tonnes of CO <sub>2</sub> e	119.10	126.03
Waste, total units	Cubic meters (m <sup>3</sup> )	168	221

**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

	2019-20	2018-19	2017-18	2016-17	2015-16
Income from Government	\$5,398,694 <sup>1</sup>	\$3,879,389	\$3,864,000	\$3,881,500	\$3,899,218
Total income from transactions	\$12,012,761	\$14,787,678 <sup>2</sup>	\$14,756,035 <sup>3</sup>	\$12,975,481	\$11,807,352
Total expenses from transactions	\$12,019,715	\$13,978,829	\$13,004,258	\$12,779,962	\$11,720,465
Net result from transactions before depreciation	\$276,596	\$1,216,701	\$2,264,798	\$757,259	\$686,803
Net result from transactions for the year after depreciation	(6,954)	\$808,849	\$1,751,777	\$195,519	\$86,887
Net cash flow from operating activities	(169,496)	\$953,195	\$1,606,479	\$1,391,322	\$882,383
Total assets	\$16,021,896	\$16,613,677	\$15,424,847	\$14,065,532	\$12,145,396
Total liabilities	\$3,441,552	\$3,828,743	\$3,599,202	\$4,025,554	\$3,039,202

### Notes:

1 Total income from Government includes COVID-19 additional support of \$1,635,000 flowing through to Net result for the year

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

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

## Financial Overview

The net result from transactions for the year after depreciation was a deficit of -\$6,954 including:

- Depreciation and amortisation expense of \$283,550

The operating result includes additional Government funding to support the Centre during the closure period due to the COVID-19 pandemic.

Total income from transactions decreased \$2.8m, a decrease of 18% on the prior year, primarily due to the impact of COVID-19 and the subsequent closure of the venue. Key variances include:

- 39% (\$1,519,305) increase in Government funding
- 39% (-\$1,377,108) decrease in Melbourne Recital Centre Presents ticket sales.
- 32% (-\$1,262,869) decrease in revenue from venue hire activities, ticket fee income and food and beverage sales.

Total expenses from transactions decreased 14% to \$12,019,715. Key reasons for this include:

- Employee expenses decreased \$66,801 in line with event activity during the closure period. Concerts between mid-March to the end of June were cancelled or postponed to a later date resulting in less expenditure overall including artistic and production costs.

In the months ahead, the focus will be on recovery including preparing the Centre for reopening safely. The Centre will also have an enhanced digital broadcast capability, enabling the Centre to stream performances to audiences across Victoria, within an efficient and flexible operating model.



'It was a wonderful  
experience, well organised  
and very enriching! Bravo!'

Audience Member



# 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
- Foundation 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) 22H 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.

## Competitive Neutrality 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 Jobs 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 2019/20 to which these policies apply.

## Compliance with the Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* (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](http://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](http://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	2019-20	2018-19	2017-18
<b>Incident</b>	No. of employee incidents	13	21	22
	No. of visitor incidents	16	19	23
<b>Claims</b>	No. of standard claims	0	0	1
	No. of lost time claims	0	0	1

## 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. The newly created role of Visitor Experience Manager is currently developing a new Disability Action Plan.

## Compliance with the *Carers 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 2020, 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 2019-20.

## Workforce Data

Staff are appointed under ongoing, fixed-term or casual contracts as per Melbourne Recital Centre's Enterprise Agreement 2015 and the Government Sector Executive Remuneration Panel and are bound by the Code of Conduct for Victorian Public Sector Employees. 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 2019 and 2020

FTE	2020			2019		
Employment Type	Male	Female	Total	Male	Female	Total
<b>Ongoing</b>	18	15	33	18	17	35
<b>Casual/Fixed Term</b>	3	6	9	16	16	32
<b>Total</b>	<b>21</b>	<b>21</b>	<b>42</b>	<b>34</b>	<b>33</b>	<b>67</b>
<b>HEADCOUNT</b>						
<b>Ongoing</b>	18	16	34	18	18	36
<b>Casual/Fixed Term</b>	17	25	42	43	44	87
<b>Total</b>	<b>35</b>	<b>41</b>	<b>76</b>	<b>61</b>	<b>62</b>	<b>123</b>

# Statement of Corporate Governance (continued)

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

In 2019-20 there was no single campaign media spend \$100,000 or greater.

## Consultancy Expenditure

In 2019-20 there were no consultancies where the total fees payable to the consultants were \$10,000 or greater.

In 2019-20 there was one (1) consultancy where the total fees payable to the consultant was less than \$10,000. The total expenditure incurred during 2019-20 on this consultancy was \$6,500 (excluding GST).

## Information and Communication Technology (ICT) expenditure

For the 2019-20 reporting period, Melbourne Recital Centre had a total ICT expenditure of \$763,815 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)
\$675,673	\$88,142

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.



# Directors' Report

**The Directors present this report on Melbourne Recital Centre for the financial year ended 30 June 2020.**

## 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

Stephen Carpenter

Peter Bartlett

Joseph Corponi (Resigned 2 March 2020)

Mary Delahunty

Paul Donnelly

Margaret Farren-Price

Eda Ritchie AM

Jody Evans

Audrey Zibelman

Deborah Cheetham AO (Appointed 7 October 2019)

Liz Grainger (Appointed 3 March 2020)

Directors have been in office since 1 July 2019 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 loss of \$6,954 (surplus of \$808,849 in 2018-19). The total comprehensive result was a loss of \$204,590 (surplus of \$959,289 in 2018-19).

## 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

From March onwards the global COVID-19 pandemic and restrictions that followed immediately disrupted the venue's operational activity. Following the State of Emergency throughout Victoria, its Sturt Street building was closed to the public, including both the Elisabeth Murdoch Hall and Primrose Potter Salon with a combined capacity of 1150 seats. The venue was still closed to the public on 30 June 2020.

## Significant Changes in State of Affairs

The Company's state of affairs significantly changed in the latter half of 2020 due to the impact of the COVID-19 restrictions. The local and global restrictions on social gatherings and travel impacted the venue's program and ticketing, venue-for-hire and development revenue. Creative Victoria provided additional financial support to the Company in April.

## 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

As at the signing of this report, the venue remains closed to the public following Stage 3 and then Stage 4 restrictions in Victoria including the closure of concert venues, theatres and auditoriums. The Company will present to smaller audiences in 2020-21 as a result of expected medium to long-term restrictions on occupancies and softening of the market for live performances.

Melbourne Recital Centre has managed, and continues to manage, the risks arising from COVID-19. This includes scenario and planning at various levels of event activity.



### Future Developments

The Company has reviewed its level of operations and has significantly reduced the number of events planned for the next 12 months and in parallel has invested in its digital broadcast capabilities. The initial impact of the COVID-19 pandemic is expected to last up to 12-24 months for entertainment and cultural venues.

As at the date these financial statements are authorised for issue, the directors of Melbourne Recital Centre consider that the financial effects of any potential changes due to Government restrictions to manage COVID-19 cannot be reasonably estimated for future financial periods. As the situation remains fluid due to the evolving changes, the directors consider that the general economic impacts arising from COVID-19 and lower levels of forecast activity are likely to negatively impact the financial results and position of Melbourne Recital Centre over the near term, in particular, the year ending 30 June 2021.

### 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, six meetings of directors were held. Attendance by each director was as follows: :

Director name	Number eligible to attend	Number attended
Andrea Hull AO	6	6
Stephen Carpenter	6	5
Peter Bartlett	6	5
Joseph Corponi	3	3
Mary Delahunty	6	5
Paul Donnelly	6	5
Margaret Farren-Price	6	6
Eda Ritchie AM	6	6
Jody Evans	6	6
Audrey Zibelman	6	4
Deborah Cheetham AO	5	5
Liz Grainger	3	3

### Directors' Benefits

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

### Insurance of Directors and Officers

During the financial year \$4,995 (\$4,329 in 2018-19) 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 2020 has been received and can be found on page 5 of the financial report.

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

On behalf of the directors



Andrea Hull AO  
Chair of the Board  
Melbourne, 25 August 2020

### 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 2020 and financial position of the Company at 30 June 2020.

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 25 August 2020.



Andrea Hull AO  
Chair of the Board  
Melbourne, 25 August 2020



Euan Murdoch  
Chief Executive Officer  
Melbourne, 25 August 2020



Sarah MacPherson  
Director of Corporate Services  
Melbourne, 25 August 2020

## 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 2020, 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 2020



Simone Bohan  
*as delegate for the Auditor-General of Victoria*

# Table of Contents

## FINANCIAL STATEMENTS

Comprehensive operating statement

Balance sheet

Statement of changes in equity

Cash flow statement

## NOTES TO THE FINANCIAL STATEMENTS

1. About this report
  - 1.1 Basis of accounting preparation and measurement
  - 1.2 Compliance statement
2. Funding delivery of our services
  - Introduction
  - Structure
  - 2.1 State Government grants
  - 2.2 Other grants, donations and sponsorships
  - 2.3 Commercial operations
  - 2.4 Other income
3. The cost of delivering services
  - Introduction
  - Structure
  - 3.1 Employee expenses
  - 3.2 Supplies and consumables
  - 3.3 Artistic and production costs
  - 3.4 Building occupancy
  - 3.5 Other operating expenses
4. Key assets available to support output delivery
  - Introduction
  - Structure
  - 4.1 Property, plant and equipment
  - 4.2 Intangibles
  - 4.3 Investments and other financial assets
5. Other assets and liabilities
  - Introduction
  - Structure
  - 5.1 Receivables
  - 5.2 Trade and other payables
  - 5.3 Income received in advance
  - 5.4 Other liabilities
6. How we financed our operations
  - Introduction
  - Structure
  - 6.1 Cash and deposits
  - 6.2 Commitments for expenditure
7. Risks, contingencies and valuation judgements
  - Introduction
  - Structure
  - 7.1 Financial instruments specific disclosures
  - 7.2 Contingent liabilities and assets
  - 7.3 Fair value determination and impairment
8. Other disclosures
  - Introduction
  - Structure
  - 8.1 Other economic flows included in net result
  - 8.2 Reserves
  - 8.3 Responsible persons
  - 8.4 Remuneration of executives
  - 8.5 Related parties
  - 8.6 Remuneration of auditors
  - 8.7 Subsequent events
  - 8.8 Change in accounting policies
  - 8.9 Australian Accounting Standards issued that are not yet effective

Melbourne Recital Centre  
 Comprehensive Operating Statement  
 for the Financial Year Ended 30 June 2020

	Notes	2020	2019
		\$	\$
<b>Income from transactions</b>	<b>2</b>		
State Government grants	2.1	5,398,694	3,879,389
Other grants, donations and sponsorship	2.2	1,298,113	2,930,692
Commercial operations	2.3	4,882,266	7,522,243
Other income	2.4	433,688	455,354
<b>Total income from transactions</b>		<b>12,012,761</b>	<b>14,787,678</b>
<b>Expenses from transactions</b>	<b>3</b>		
Employee expenses	3.1	6,167,891	6,234,692
Supplies and consumables	3.2	2,171,816	2,858,960
Artistic and production costs	3.3	2,250,181	3,250,171
Building occupancy	3.4	763,208	875,907
Legal, professional and consultancy	3.5	305,455	259,873
Depreciation and amortisation	3.5	283,550	407,852
Finance costs	3.5	77,614	91,374
<b>Total expenses from transactions</b>		<b>12,019,715</b>	<b>13,978,829</b>
<b>Net result from transactions (net operating balance)</b>		<b>(6,954)</b>	<b>808,849</b>
<b>Other economic flows - Included in net result</b>	<b>8.1</b>		
Gain on disposal of non-financial assets	8.1	-	1,297
Changes in market value of investments	8.1	(197,636)	149,143
<b>Total other economic flows included in net result</b>		<b>(197,636)</b>	<b>150,440</b>
<b>Net result</b>		<b>(204,590)</b>	<b>959,289</b>

The comprehensive operating statement should be read in conjunction with the accompanying notes on pages 48 to 77.

Melbourne Recital Centre  
Balance Sheet  
as at 30 June 2020

	Notes	2020	2019
		\$	\$
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.1	7,309,767	7,577,083
Receivables	5.1	271,560	406,728
Investments	4.3	5,593,185	5,790,820
GST receivable	5.1	106,104	47,138
<b>Total financial assets</b>		<b>13,280,616</b>	<b>13,821,769</b>
<b>Non-financial assets</b>			
Inventory		15,264	18,285
Property, plant and equipment	4.1	2,456,933	2,371,417
Intangible assets	4.2	75,684	83,523
Prepayments		193,399	318,683
<b>Total non-financial assets</b>		<b>2,741,280</b>	<b>2,791,908</b>
<b>Total assets</b>		<b>16,021,896</b>	<b>16,613,677</b>
<b>Liabilities</b>			
Trade and other payables	5.2	815,403	1,055,129
Provisions	3.1.1	812,127	710,396
Income received in advance	5.3	1,774,465	2,016,943
Other liabilities	5.4	39,557	46,275
<b>Total liabilities</b>		<b>3,441,552</b>	<b>3,828,743</b>
<b>Net assets</b>		<b>12,580,344</b>	<b>12,784,934</b>
<b>Equity</b>			
Accumulated surplus	8.2	777,426	856,250
Public fund - Endowment	8.2.1	10,888,804	10,754,004
Public fund - Externally funded special projects reserve	8.2.1	247,088	507,654
Public fund - Physical asset revaluation reserve	8.2.1	(106,818)	(106,818)
Physical asset revaluation reserve	8.2	773,844	773,844
<b>Total equity</b>		<b>12,580,344</b>	<b>12,784,934</b>

The balance sheet should be read in conjunction with the accompanying notes included in pages 48 to 77.

Melbourne Recital Centre  
Statement of Changes in Equity  
for the Financial Year Ended 30 June 2020

	Notes	Equity at 1 July 2019	Net result	Transfer between funds		Equity at 30 June 2020
		\$	\$	\$		\$
Accumulated surplus/ (deficit)	8.2	856,250	(204,590)	125,766		777,426
Public fund - general	8.2.1	10,754,004	–	134,800		10,888,804
Public fund - externally funded special projects reserve	8.2.1	507,654	–	(260,566)		247,088
Public fund - physical asset revaluation reserve	8.2.1	(106,818)	–	–		(106,818)
Physical asset revaluation reserve	8.2	773,844	–	–		773,844
<b>Total equity at end of financial year</b>		<b>12,784,934</b>	<b>(204,590)</b>	<b>–</b>		<b>12,580,344</b>

	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
<b>Total equity at end of financial year</b>		<b>11,825,645</b>	<b>959,289</b>	<b>–</b>	<b>–</b>	<b>12,784,934</b>

The statement of changes in equity should be read in conjunction with the accompanying notes on pages 48 to 77.

Melbourne Recital Centre  
Cash Flow Statement  
for the Financial Year Ended 30 June 2020

	Notes	2020	2019
		\$	\$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from State Government		5,695,366	3,977,840
Receipts from customers		4,972,927	8,137,413
Fundraising and sponsorship		1,298,113	2,910,692
Interest received		44,308	95,250
Dividends received		–	14,506
GST refunded from ATO		152,279	206,270
<b>Total receipts</b>		<b>12,162,993</b>	<b>15,341,971</b>
<b>Payments</b>			
Payments to suppliers		(6,228,882)	(8,186,725)
Payments to employees		(6,025,993)	(6,110,678)
Finance costs		(77,614)	(91,373)
<b>Total payments</b>		<b>(12,332,489)</b>	<b>(14,388,776)</b>
<b>Net cash flow from operating activities</b>	<b>6.1.1</b>	<b>(169,496)</b>	<b>953,195</b>
<b>Cash flows from investing activities</b>			
Payment for purchase of property, plant and equipment		(361,226)	(530,283)
Proceeds from sale of property, plant and equipment		–	135,000
VFMC distribution received		263,406	379,317
Proceeds from sale of shares		–	278,182
<b>Net cash flows from investing activities</b>		<b>(97,820)</b>	<b>262,216</b>
Net increase/(decrease) in cash and cash equivalents		(267,316)	1,215,411
Cash and cash equivalents at beginning of financial year		7,577,083	6,361,672
<b>Cash and cash equivalents at end of financial year</b>	<b>6.1</b>	<b>7,309,767</b>	<b>7,577,083</b>

The cash flow statement should be read in conjunction with the accompanying notes on pages 48 to 77.

Melbourne Recital Centre  
 Notes to the Financial Statements  
 for the Financial Year Ended 30 June 2020

**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 outstandings and obligations of the Company. At 30 June 2020, 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 VIC 3006

Melbourne Recital Centre is a 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 Australian Accounting Standards and Interpretations (AASs) that have significant effective 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 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 including the sale of tickets, 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	2020 \$	2019 \$
State Government grants	2.1	5,398,694	3,879,389
Other grants, donations and sponsorship	2.2	1,298,113	2,930,692
Commercial operations	2.3	4,882,266	7,522,243
Other income	2.4	433,688	455,354
<b>Total income from transactions</b>		<b>12,012,761</b>	<b>14,787,678</b>

From 1 July 2019, the Company recognises income in line with AASB 15 and AASB 1058. The implementation of these new accounting policies has not resulted in any significant changes in the recognition of income for the 2020 financial year.

Refer to note 8.8 for further information regarding changes in accounting policies.

### 2.1 State government grants

	2020 \$	2019 \$
Operating grants	3,763,694	3,879,389
Other general purpose grants	1,635,000	–
<b>Total Government grants</b>	<b>5,398,694</b>	<b>3,879,389</b>

Government grants are recognised as income when the grant is received by the Company, in line with AASB 1058.

### 2.2 Other grants, donations and sponsorships

	2020 \$	2019 \$
Public Fund grants and donations	1,071,464	2,170,506
Sponsorship	226,649	760,186
<b>Total other grants, donations and sponsorships</b>	<b>1,298,113</b>	<b>2,930,692</b>

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

Where specific performance obligations do not exist, funds, such as donations, are recognised upon receipt in line with AASB 1058.

### 2.3 Commercial operations

	2020 \$	2019 \$
Artistic programming	2,141,501	3,518,609
Venue hire	1,698,978	2,436,401
Commercial activities	1,041,787	1,567,233
<b>Total commercial operations</b>	<b>4,882,266</b>	<b>7,522,243</b>

Commercial operations income included in the table above are transactions that the Company has determined to be classified as revenue from contracts with customers in accordance with AASB 15. There has been no impact of initially applying AASB 15 on the Company's commercial operations income.

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 obligations of the event has occurred and is then 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 are held as a *venue hire deposits* liability on the balance sheet until the performance obligations relating to the venue hire have occurred and is then 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

	2020 \$	2019 \$
Interest received	44,309	95,250
Dividends received	–	14,506
Distribution received from VFMC Capital Stable Fund	138,860	126,850
Distribution received from VFMC Balance Fund	158,919	151,709
Other income	91,600	67,039
<b>Total other income</b>	<b>433,688</b>	<b>455,354</b>

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	2020 \$	2019 \$
Employee expenses	3.1	6,167,891	6,234,692
Supplies and consumables	3.2	2,171,816	2,858,960
Artistic and production costs	3.3	2,250,181	3,250,171
Building occupancy	3.4	763,208	875,907
Other operating expenses	3.5	666,619	759,099
<b>Total expenses from transactions</b>		<b>12,019,715</b>	<b>13,978,829</b>

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

#### 3.1 Employee expenses

	2020 \$	2019 \$
Employee benefits	5,678,745	5,717,391
Defined contribution superannuation plans	489,146	517,301
<b>Employee expenses</b>	<b>6,167,891</b>	<b>6,234,692</b>

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

	2020 \$	2019 \$
<b>Current provisions:</b>		
<b>Annual leave</b>		
Unconditional and expected to settle within 12 months	278,440	277,149
Unconditional and expected to settle after 12 months	–	–
<b>Long service leave</b>		
Unconditional and expected to settle within 12 months	70,138	59,469
Unconditional and expected to settle after 12 months	163,655	138,761
<b>Provisions for on-costs</b>		
Unconditional and expected to settle within 12 months	29,444	18,558
Unconditional and expected to settle after 12 months	15,547	22,023
<b>Total current provisions for employee benefits</b>	<b>557,224</b>	<b>515,960</b>
<b>Non-current provisions:</b>		
Employee benefits	232,788	180,774
On-costs	22,115	13,662
<b>Total non-current provisions for employee benefits</b>	<b>254,903</b>	<b>194,436</b>
<b>Total provisions for employee benefits</b>	<b>812,127</b>	<b>710,396</b>

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 2020

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, as 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

	2020 \$	2019 \$
Marketing and promotion	883,295	1,387,452
Information technology	703,725	553,032
Food and beverage	444,680	682,480
Other supplies and consumables	140,116	235,996
<b>Total supplies and consumables</b>	<b>2,171,816</b>	<b>2,858,960</b>

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

	2020 \$	2019 \$
Melbourne Recital Centre presents:		
Artist costs	1,176,232	1,947,855
Production costs	199,238	353,720
Co-Presentation ticketing revenue split	348,998	367,918
Venue hire events and other	525,713	580,678
<b>Total artistic and production costs</b>	<b>2,250,181</b>	<b>3,250,171</b>

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.

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

### 3.4 Building occupancy

	2020 \$	2019 \$
Utilities	243,973	252,237
Cleaning	248,030	352,690
Building security	55,295	71,534
Building repairs and maintenance	208,304	188,356
Other	7,606	11,090
<b>Total building occupancy</b>	<b>763,208</b>	<b>875,907</b>

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

### 3.5 Other operating expenses

	2020 \$	2019 \$
Legal and consultancy expenses	305,455	259,873
Depreciation and amortisation	283,550	407,852
Finance costs	77,614	91,374
<b>Total other operating expenses</b>	<b>666,619</b>	<b>759,099</b>

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
  - 4.2.2 Movement in carrying amount
- 4.3 Investments and other financial assets

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

#### 4.1 Property, Plant and Equipment

##### 4.1.1 Carrying amount and accumulated depreciation

	2020 \$	2019 \$
<b>Building fit-out</b>		
Building fit-out at fair value	604,860	604,860
Less accumulated depreciation	(61,635)	(40,589)
<b>Closing balance</b>	<b>543,225</b>	<b>564,271</b>
<b>Venue furniture and equipment</b>		
Venue furniture and equipment at fair value	3,476,708	3,390,965
Less accumulated depreciation	(3,027,371)	(2,901,270)
<b>Closing balance</b>	<b>449,337</b>	<b>489,695</b>
<b>Office furniture and equipment</b>		
Office furniture and equipment at fair value	878,180	849,798
Less accumulated depreciation	(712,736)	(654,085)
<b>Closing balance</b>	<b>165,444</b>	<b>195,713</b>
<b>Musical instruments</b>		
Musical instruments at fair value	948,330	724,745
Less accumulated depreciation	(137,585)	(91,189)
<b>Closing balance</b>	<b>810,745</b>	<b>633,556</b>
<b>Cultural assets</b>		
Cultural assets at fair value	488,182	488,182
<b>Closing balance</b>	<b>488,182</b>	<b>488,182</b>
<b>Total property, plant and equipment</b>	<b>2,456,933</b>	<b>2,371,417</b>

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 2020

#### 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>	Level 3		Level 3		Level 3		Level 3		Level 2		2020	2019
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening 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
Additions	–	38,860	85,744	5,957	28,382	150,845	223,585	245,634	–	20,000	337,711	461,296
Disposals								(132,384)			–	(132,384)
Depreciation expenses	(21,046)	(20,514)	(126,102)	(273,968)	(58,651)	(49,034)	(46,396)	(58,894)	–	–	(252,195)	(402,410)
Closing balance	<b>543,225</b>	<b>564,271</b>	<b>449,337</b>	<b>489,695</b>	<b>165,444</b>	<b>195,713</b>	<b>810,745</b>	<b>633,556</b>	<b>488,182</b>	<b>488,182</b>	<b>2,456,933</b>	<b>2,371,417</b>

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 PPE 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	
	2020	2019
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.

Depreciation of PPE 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 2020

#### 4.2 Intangible assets

	2020 \$	2019 \$
Intangible assets at cost	462,665	439,149
Less accumulated amortisation	(386,981)	(355,626)
<b>Total intangible assets</b>	<b>75,684</b>	<b>83,523</b>

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 of intangible assets is calculated on a straight line basis over 4 years.

##### 4.2.2 Movement in carrying amount

	2020 \$	2019 \$
Opening balance	83,523	–
Additions	23,516	88,965
Amortisation expenses	(31,355)	(5,442)
<b>Closing balance</b>	<b>75,684</b>	<b>83,523</b>

#### 4.3 Investments and other financial assets

	2020 \$	2019 \$
Equities and managed investment funds:		
VFMC Capital Stable Fund fund at fair value	2,704,021	2,800,600
VFMC Balance Fund at fair value	2,889,164	2,990,220
<b>Total investments</b>	<b>5,593,185</b>	<b>5,790,820</b>

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.

##### 4.3 (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

	2020 \$	2019 \$
Trade debtors	158,337	282,183
Less provision for doubtful debts	(18,150)	(5,000)
Accrued Income	131,373	129,545
	<b>271,560</b>	<b>406,728</b>
<b>Statutory</b>		
GST receivable	106,104	47,138
<b>Total current receivables</b>	<b>377,664</b>	<b>453,866</b>

*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 2020

### 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 \$	
2020	Trade debtors	158,337	122,869	–	16,500	818	–	18,150
2019	Trade debtors	282,183	200,656	51,714	11,612	13,201	–	5,000

### 5.2 Trade and other payables

	2020 \$	2019 \$
<b>Current Contractual</b>		
Trade payables	311,642	398,772
Accrued expenses	331,743	485,412
Superannuation payable	125,696	117,634
	769,081	1,001,818
<b>Statutory</b>		
PAYG payable	46,322	53,311
<b>Total payables</b>	<b>815,403</b>	<b>1,055,129</b>

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 are recognised and measured similarly to contractual payables, but are not classified as financial instruments and are 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 2020

### 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 \$
<b>2020</b>					
Trade payables	311,642	224,995	86,647		
Accrued expenses	457,439	457,439	-	-	-
<b>2019</b>					
Trade payables	398,772	398,772			
Accrued expenses	603,046	603,046	-	-	-

### 5.3 Income received in advance

	2020 \$	2019 \$
Venue hire deposits	473,771	626,266
Advance tickets sales	753,350	1,172,271
Grants received in advance	547,344	218,406
<b>Total income received in advance</b>	<b>1,774,465</b>	<b>2,016,943</b>

Income received in advance has been deferred in line with the revenue recognition as described in Note 2.

### 5.4 Other liabilities

	2020 \$	2019 \$
Creative Victoria Loan	39,557	46,275
<b>Total other liabilities</b>	<b>39,557</b>	<b>46,275</b>

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

	2020 \$	2019 \$
Cash at bank	7,304,437	7,571,342
Cash on hand	5,330	5,741
<b>Total cash and deposit</b>	<b>7,309,767</b>	<b>7,577,083</b>

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.

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

### 6.1.1 Cash flow information and balances

	2020 \$	2019 \$
<b>Reconciliation of net cash result for the year to cash flows from operating activities for the year</b>		
<b>Net result for the year</b>	(204,590)	847,288
Non cash flows movements		
Depreciation of non-current assets	283,550	407,852
Net (gain)/loss on disposal of fixed assets	–	(1,297)
Net (gain)/loss on change in MV of investments	197,636	(149,143)
Cash flows from investing activities		
VFMC distribution income	(263,407)	(166,559)
Changes in assets and liabilities		
(Increase)/decrease in receivables and other assets	135,167	(157,786)
(Increase)/decrease in GST recoverable	(58,966)	32,032
(Increase)/decrease in inventory	3,021	(955)
(Increase)/decrease in prepayments	125,284	(70,234)
Increase/(decrease) in trade and other payables	(239,726)	(163,687)
Increase/(decrease) in provisions	101,731	86,118
Increase/(decrease) in income received in advance	(242,478)	283,596
Increase/(decrease) in other liabilities	(6,718)	5,970
<b>Net cash flows from operating activities</b>	<b>(169,496)</b>	<b>953,195</b>

### 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.

#### 6.2.1 Total commitments payable

	2020 \$	2019 \$
Not later than one year	522,361	520,021
Later than one year but not later than five years	128,922	649,897
<b>Total expenditure commitments (inclusive of GST)</b>	<b>651,283</b>	<b>1,169,918</b>
Less GST recoverable from the Australian Taxation Office	(59,208)	(106,356)
<b>Total commitments for expenditure (exclusive of GST)</b>	<b>592,075</b>	<b>1,063,562</b>

As at 30 June 2020, there are no capital commitments (2019: 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
  - 7.1.4 Equity price 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
    - 7.3.2.1 Impairment of non-financial assets
    - 7.3.2.2 Revaluation of non-financial assets

### 7.1 Financial Instruments specific disclosures

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the 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.

#### Categories of financial assets

*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 funds under this category.

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

### Impairment of financial assets

For cash and deposits, the Company applies the simplified approach to measure expected credit losses (ECL) based on the change in the ECLs over the life of the asset as required by AASB 9. Application of the lifetime ECL allowance method has resulted in no changes to the impairment loss allowances during the 2020 financial year (2019: nil).

### Categories of financial liabilities

*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 \$	Fair Value through profit and loss \$	Total \$
<b>2020</b>				
Cash and deposits	7,304,437	–	–	7,304,437
Receivables	–	271,560	–	271,560
Investments	–	–	5,593,185	5,593,185
<b>Total contractual financial assets</b>	<b>7,304,437</b>	<b>271,560</b>	<b>5,593,185</b>	<b>13,169,182</b>
Trade and other payables	–	769,081	–	769,081
Other liabilities	–	39,557	–	39,557
<b>Total contractual financial liabilities</b>	<b>–</b>	<b>808,638</b>	<b>–</b>	<b>808,638</b>

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

The Company's main financial risks include interest rate risk, credit risk, liquidity risk, and equity price risk. The Company manages these financial risks in accordance with its financial risk management policy.



### 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 \$7,304,437 (2019: \$7,571,342).

Sensitivity analysis determined that a movement of 50 basis points up and 50 basis points down (2019: 50 basis points up and 50 basis points 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 2019-20.

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

**Table 7.1.2.1 Credit quality of contractual financial assets**

	Financial Institutions (AA credit rating) \$	Government Agencies (AAA credit rating) \$	Other \$	Total \$
<b>2020</b>				
Cash and deposits	7,304,437	–	–	7,304,437
Receivables	–	–	271,560	271,560
Investments	–	5,593,185	–	5,593,185
<b>Total contractual financial assets</b>	<b>7,304,437</b>	<b>5,593,185</b>	<b>271,560</b>	<b>13,169,182</b>
<b>2019</b>				
Cash and deposits	7,571,342	–	–	7,571,342
Receivables	–	–	406,728	406,728
Investments	–	5,790,820	–	5,790,820
<b>Total contractual financial assets</b>	<b>7,571,342</b>	<b>5,790,820</b>	<b>406,728</b>	<b>13,768,890</b>

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.

### 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 2019-20 the Company received \$5,398,694 from Creative Victoria (2018-19 \$3,879,389).

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
<b>2020</b>					
Trade and other payables	769,081	769,081	–	–	–
Other liabilities	39,557	–	–	39,557	–
<b>Total financial liabilities</b>	<b>808,638</b>	<b>769,081</b>	–	<b>39,557</b>	–
<b>2019</b>					
Trade and other payables	1,001,818	1,001,818	–	–	–
Other liabilities	46,275	–	–	46,275	–
<b>Total financial liabilities</b>	<b>1,048,093</b>	<b>1,001,818</b>	–	<b>46,275</b>	–

**7.1.4 Equity Price Risk**

The Company is exposed to equity price risk through its investments in managed investment portfolios held with VFMC.

The Company's sensitivity to equity price risk is set out below:

	Carrying amount	-5% Net result	5% Net result
<b>2020</b>			
<b>Financial assets</b>			
Investments	5,593,185	(279,659)	279,659
<b>Total impact</b>	<b>5,593,185</b>	<b>(279,659)</b>	<b>279,659</b>
<b>2019</b>			
<b>Financial assets</b>			
Investments	5,790,820	(289,541)	289,541
<b>Total impact</b>	<b>5,790,820</b>	<b>(289,541)</b>	<b>289,541</b>

**7.2 Contingent liabilities and assets**

As at 30 June 2020 there are no contingent liabilities or contingent assets (2019: 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 2020

### 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
<b>2020</b>				
Investments	5,593,185	–	5,593,185	–
<b>Total financial assets</b>	<b>5,593,185</b>	<b>–</b>	<b>5,593,185</b>	<b>–</b>
<b>2019</b>				
Investments	5,790,820	–	5,790,820	–
<b>Total financial assets</b>	<b>5,790,820</b>	<b>–</b>	<b>5,790,820</b>	<b>–</b>

### 7.3.2 Non-financial assets measured at fair value

	Carrying amount as at 30-Jun-20 \$	Fair value measurement at end of reporting period using:			Carrying amount as at 30-Jun-19 \$	Fair value measurement at end of reporting period using:		
		Level 1 \$	Level 2 \$	Level 3 \$		Level 1 \$	Level 2 \$	Level 3 \$
Building fit-out	543,225	–	–	543,225	564,271	–	–	564,271
Venue furniture and equipment	449,337	–	–	449,337	489,695	–	–	489,695
Office furniture and equipment	165,444	–	–	165,444	195,713	–	–	195,713
Music instruments	810,745	–	–	810,745	633,556	–	–	633,556
Cultural assets	488,182	–	488,182	–	488,182	–	488,182	–
<b>Total of assets at fair value</b>	<b>2,456,933</b>	<b>–</b>	<b>488,182</b>	<b>1,968,751</b>	<b>2,371,417</b>	<b>–</b>	<b>488,182</b>	<b>1,883,235</b>

#### 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.

### 7.3.2.2 Revaluation of non-financial 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 PPE 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 PPE. 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 PPE 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.

#### Cultural assets

Cultural assets represents works of art and are valued using the best estimate of the price reasonably obtainable in the market at reporting date. An independent valuation of the works of art was performed by John McPhee (John McPhee Pty Ltd). The valuation method compared recent prices for similar items. Factors taken into account include age, condition, significance of work and importance of the artists associated with the works. To the extent that these assets do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach. The effective date of the valuation of Cultural assets is 30 June 2017.

Since the last independent valuations, management has performed annual fair value assessments for each category of non-financial assets and no significant changes (greater than 10%) have been noted.

#### 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 2020.

#### Description of significant unobservable inputs to Level 3 valuations

2020	Valuation technique	Significant unobservable inputs
Building fit-out	Depreciated straight-line cost	Useful life of Building fit-out
Venue furniture and equipment	Depreciated straight-line cost	Useful life of Venue furniture and equipment
Office furniture and equipment	Depreciated straight-line cost	Useful life of Office furniture and equipment
Music instruments	Depreciated straight-line cost	Useful life of Music instruments

## 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
  - 8.2.2 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 Change in accounting policies
- 8.9 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.

	2020 \$	2019 \$
Gain on disposal of non-financial assets	–	1,297
Changes in market value of investments	(197,636)	149,143
<b>Total Other economic flows included in net result</b>	<b>(197,636)</b>	<b>150,440</b>

Changes in market value of investments include realised and unrealised gains and losses from revaluations of financial instruments at fair value and 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 2020

## 8.2 Reserves

	2020 \$	2019 \$
<b>Accumulated surplus</b>		
Balance at beginning of year	856,250	1,568,997
Net result	(204,590)	959,289
Transfer to public fund - general	(134,800)	(1,723,438)
Transfer (to)/from public fund - externally funded special projects reserve	260,566	(141,905)
Change in accounting policy - AASB 9 Financial Instruments	-	193,307
<b>Balance at end of year</b>	<b>777,426</b>	<b>856,250</b>
<b>Physical asset revaluation reserve</b>		
Balance at beginning of financial year	667,026	667,026
<b>Balance at end of year</b>	<b>667,026</b>	<b>667,026</b>
<b>Represented by:</b>		
Asset revaluation increments	773,844	773,844
Asset revaluation decrements apportioned to Public Fund	(106,818)	(106,818)
	<b>667,026</b>	<b>667,026</b>

### 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 towards objectives 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 2020

	2020 \$	2019 \$
<b>Revenue</b>		
Grants and donations	1,071,464	2,163,566
Interest	34,645	67,924
Dividend income	-	14,506
Income distribution	297,779	278,559
<b>Total revenue</b>	<b>1,403,888</b>	<b>2,524,555</b>

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

**Note 8.2.1 PUBLIC FUND (continued)**

**OPERATING STATEMENT CONTINUES**

	2020 \$	2019 \$
<b>Expenses</b>		
General programming	881,541	758,315
Access initiatives	216,274	87,962
Artist development initiatives	158,950	29,150
Cost of fundraising	75,253	126,235
<b>Total expenses</b>	<b>1,332,018</b>	<b>1,001,662</b>
<b>Net result from transactions (net operating balance)</b>	<b>71,870</b>	<b>1,522,893</b>
<b>Other economic flows - Included in net result</b>		
Changes in market value of investments	(197,636)	149,143
<b>Net result</b>	<b>(125,766)</b>	<b>1,672,036</b>

**BALANCE SHEET AS AT 30 JUNE 2020**

<b>Assets</b>		
Cash and deposits	5,775,728	5,542,977
Investments	5,593,185	5,790,820
Cultural assets	88,182	88,182
<b>Total assets</b>	<b>11,457,095</b>	<b>11,421,979</b>
<b>Liabilities</b>		
Accrued expenses	428,021	267,139
<b>Total liabilities</b>	<b>428,021</b>	<b>267,139</b>
<b>Net assets</b>	<b>11,029,074</b>	<b>11,154,840</b>
<b>Equity</b>		
Public fund - endowment	10,888,804	10,754,004
Public fund - externally funded special projects reserve	247,088	507,654
Public Fund - available-for-sale revaluation reserve	-	-
Physical asset revaluation reserve	(106,818)	(106,818)
<b>Total equity</b>	<b>11,029,074</b>	<b>11,154,840</b>

**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.



### 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 2019 - 30 June 2020
Andrea Hull AO	Chair	1 July 2019 - 30 June 2020
Stephen Carpenter	Board Member	1 July 2019 - 30 June 2020
Peter Bartlett	Board Member	1 July 2019 - 30 June 2020
Joseph Corponi	Board Member	1 July 2019 - 2 March 2020
Mary Delahunty	Board Member	1 July 2019 - 30 June 2020
Paul Donnelly	Board Member	1 July 2019 - 30 June 2020
Margaret Farren-Price	Board Member	1 July 2019 - 30 June 2020
Eda Ritchie AM	Board Member	1 July 2019 - 30 June 2020
Jody Evans	Board Member	1 July 2019 - 30 June 2020
Audrey Zibelman	Board Member	1 July 2019 - 30 June 2020
Deborah Cheetham AO	Board Member	7 October 2019 - 30 June 2020
Liz Grainger	Board Member	3 March 2020 - 30 June 2020

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 2019 - 30 June 2020)

The remuneration of the Accountable Officer was in the banding of (\$240,000 - \$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

	2020 \$	2019 \$
Short-term benefits	746,669	653,686
Post-employment benefits	64,411	60,852
Other long-term benefits	18,667	16,342
<b>Total remuneration</b>	<b>829,747</b>	<b>730,880</b>
<b>Total number of executives</b>	<b>6</b>	<b>4</b>
<b>Total annualised employee equivalent (AEE) (a)</b>	<b>5</b>	<b>4</b>

(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 2020 year, Creative Victoria provided funding of \$5,398,694.

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 2020 year amounted to \$308,977 (2019: \$93,150).

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

### 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

	2020 \$	2019 \$
Short-term benefits	996,005	907,777
Post-employment benefits	85,371	84,516
Other long-term benefits	24,900	22,694
<b>Total remuneration</b>	<b>1,106,276</b>	<b>1,014,987</b>
<b>Total number of KMPs</b>	<b>19</b>	<b>18</b>
<b>Total annualised employee equivalent (AEE) (a)</b>	<b>6</b>	<b>5</b>

There were no material transactions or balances with key management personnel and other related parties during the year (2019: nil).

### 8.6 Remuneration of auditors

	2020 \$	2019 \$
<b>Victorian Auditor-General's Office</b>		
Audit or review of the financial statements	38,000	37,000

### 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.

## 8.8 Change in accounting policies

### New Standards adopted as at 1 July 2019

#### AASB 16 Leases

The Company has elected to apply AASB 16 using the modified retrospective approach, as per the transitional provisions of AASB 16 for all leases for which it is a lessee. Accordingly, the comparative information presented is not restated and is reported under AASB 117 and related interpretations.

##### *Short-term leases and leases of low-value assets*

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company recognises a photocopier rented from Xerox using this expedient.

##### *Below market/Peppercorn lease*

Right-of-use assets leased under conditions that are significantly below-market terms and conditions that are entered into principally to enable the Company to further its objectives, are initially and subsequently measured at cost.

The Company uses the premises from Creative Victoria for no consideration. As such, this is recognised as a peppercorn lease, and a right-of-use asset is not required to be recognised under AASB 16.

The adoption of this new accounting standards has not resulted in the recognition of any right-of-use assets or corresponding lease liability.

#### AASB 15 Revenue & AASB 1058 Income for Not-for-Profit Entities

From 1 July 2019, income is recognised in accordance with AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities (except for income that arises from sources covered by other standards). The adoption of these new accounting standards has not resulted in any impact on the comprehensive operating statement or the cash flow statement for the year.

Under AASB 15 Revenue from Contracts with Customers, revenue is recognised when there is satisfaction of a performance obligation by transferring of a promised good or service to a customer. Recognition occurs as the asset is transferred when or as the customer obtains control of that asset.

AASB 1058 Income of Not for profit Entities applies to transactions where the consideration to acquire an asset is significantly less than fair value, principally to enable a Not-for-profit entity to further its objectives. For transactions within the scope of AASB 1058 income is recognised immediately.

Unearned income at reporting date is reported as income received in advance. Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes.

## 8.9 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 and revised accounting standards and interpretations have been issued but are not effective for the 2019-20 reporting period. These accounting standards, as listed below, have not been applied to these Financial Statements:

Melbourne Recital Centre  
Notes to the Financial Statements  
for the Financial Year Ended 30 June 2020

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 17 Insurance Contracts	The new Australian standard seeks to eliminate inconsistencies and weaknesses in existing practices by providing a single principle based framework to account for all types of insurance contracts, including reissuance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities.  This standard currently does not apply to the not-for-profit public sector entities.	1 January 2021	The assessment has indicated that there will be no significant impact for the public sector.
AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material	This Standard principally amends AASB 101 <i>Presentation of Financial Statements</i> and AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> . The amendments refine and clarify the definition of material in AASB 101 and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendments also include some supporting requirements in AASB 101 in the definition to give it more prominence and clarify the explanation accompanying the definition of material.	1 January 2020	The standard is not expected to have a significant impact on the public sector.
AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 January 2022. However, ED 301 has been issued with the intention to defer application to 1 January 2023.	The standard is not expected to have a significant impact on the public sector.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2019-20 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business.
- AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework.
- AASB 2019-3 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform.
- AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia.
- AASB 2019-4 Amendments to Australian Accounting Standards - Disclosure in Special Purpose Financial Statements of Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements.
- AASB 2020-2 Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.
- AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C).
- Conceptual Framework for Financial Reporting.<sup>1</sup>

<sup>1</sup> To be applied by For-Profit private sector entities. Application by other For-Profit entities is optional.

# Independent Auditor's Report

## To the Directors of the Melbourne Recital Centre

<b>Opinion</b>	<p>I have audited the financial report of the Melbourne Recital Centre (the company) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2020</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• directors' declaration.</li></ul> <p>In my opinion the financial report is in accordance with Part 7 of the Financial Management Act 1994 and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"><li>• presenting fairly, in all material respects, the financial position of the company as at 30 June 2020 and of its financial performance and its cash flows for the year then ended</li><li>• complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.</li></ul>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the company in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other information</b>	<p>The Directors of the company are responsible for the Other Information, which comprises the information in the company's directors' report for the year ended 30 June 2020, but does not include the financial report and my auditor's report thereon.</p> <p>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.</p>
<b>Directors' responsibilities for the financial report</b>	<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. 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**

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- 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.

MELBOURNE  
28 August 2020



Simone Bohan  
*as delegate for the Auditor-General of Victoria*

Melbourne Recital Centre  
 Disclosure Index  
 for the Financial Year Ended 30 June 2020

Legislation	Requirement	Page
<b>Charter and purpose</b>		
FRD 22H	Manner of establishment and the relevant Ministers	Page 34
FRD 22H	Purpose, functions, powers and duties	Page 34
FRD 8D	Departmental objectives, indicators and outputs	Page 3
FRD 22H	Initiatives and key achievements	Page 17
FRD 22H	Nature and range of services provided	Page 34
FRD 22H	Organisational Structure	Page 31
FRD 8D	Performance against output performance measures	Page 3
FRD 10A	Disclosure index	Page 80
FRD 22H	Employment and conduct principles	Page 36
FRD 22H	Occupational health and safety policy	Page 36
FRD 22H	Summary of financial results for the year	Page 32
FRD 22H	Significant changes in financial position during the year	Page 40
FRD 22H	Major changes or factors affecting performance	Page 40
FRD 22H	Subsequent events	Page 41
FRD 22H	Compliance with building and maintenance provision of <i>Building Act 1993</i>	Page 40
FRD 22H	Statement on Competitive Neutrality Policy	Page 35
FRD 22H	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	Page 35
FRD 22H	Details of consultancies over \$10,000	Page 38
FRD 22H	Details of consultancies under \$10,000	Page 38
FRD 22H	Disclosure of ICT expenditure	Page 38
FRD 22H	Statement of availability of other information	Page 35
FRD 24D	Reporting of office-based environmental impacts	Page 31
FRD 25D	Local Jobs First	Page 35
FRD 29B	Workforce Data disclosures	Page 37



Legislation	Requirement	Page
<b>Financial Statements required under Part 7 of the FMA</b>		
SD 5.2	Statement of Changes in Equity	Page 46
SD 5.2	Operating Statement	Page 44
SD 5.2	Balance Sheet	Page 45
SD 5.2	Cash Flow Statement	Page 47
<b>Other Requirements under Standing Directions 5.2</b>		
SD 5.2.1 (a)	Compliance with Australian accounting standards and other authoritative pronouncements	Page 48
SD 5.2.3	Accountable officer's declaration	Page 2
<b>Other Disclosures as required by FRDs in notes to the Financial Statements</b>		
FRD 13	Disclosure of Parliamentary Appropriations	N/A
FRD 21C	Disclosure of Responsible Persons and Executive Officers	Page 73
FRD 103H	Non Financial Physical Assets	Page 55
FRD 110A	Cash Flow Statements	Page 47
FRD 112D	Defined Benefit Superannuation Obligations	Page 51

### Legislation

*Building Act 1983*

*Public Interest Disclosures Act 2012*

*Local Jobs First Act 2003*

*Financial Management Act 1994*

Photos: Daniel Aulsebrook, Jackson Grant,  
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MELBOURNE  
RECITAL  
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PRINCIPAL GOVERNMENT PARTNER

CREATIVE  VICTORIA