

Victorian Arts
Centre Trust
Annual Report

2023 -
2024



Arts Centre Melbourne sits on a site that has been a gathering place for song, storytelling, community and culture for First Nations people for millennia.

We acknowledge the Traditional Owners and Custodians of the land on which we gather, the Wurundjeri Woi-wurrung. We also acknowledge the neighbouring Kulin Nation groups, the Boonwurrung and Bunurong people, and pay our respects to elders, past and present.

Both land and sovereignty have never been ceded. It always was and always will be Aboriginal Land.

WARNING: Aboriginal and Torres Strait Islander readers are advised that this publication contains the name of deceased persons.

The Victorian Arts Centre Trust (the "Trust"), trading as "Arts Centre Melbourne", is a statutory authority in the Creative Industries portfolio, which currently sits within the Department of Jobs, Skills, Industry and Regions.

The Trustees are appointed by the Governor in Council on recommendation of the Minister for Creative Industries.

The Trust's core purpose is to enrich the lives of Victorians – culturally, educationally, socially and economically (*Victorian Arts Centre Act 1979*, s.5(2)). This purpose drives our overarching strategy to enhance the creativity of Melbourne.

RESPONSIBLE BODY'S DECLARATION

In accordance with the *Financial Management Act 1994*, I am pleased to present the Victorian Arts Centre Trust's Annual Report for the year ending 30 June 2024.



Ian Carson AM
President
Victorian Arts Centre Trust

ABBREVIATIONS USED IN THIS REPORT

"FY2024" refers to the 2023–24 Financial Year (the reporting year covered by this report). Other reporting years are indicated by a year preceded by "FY", for example "FY2016" refers to the 2015–16 Financial Year.

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Arts Centre Melbourne's Theatres Building and Hamer Hall at night. Photo: Tom Blachford.

About us

Arts Centre Melbourne sits on the lands of the Wurundjeri Woi Wurrung people. The site has been a gathering place for storytelling, community and culture for First Nations people for millennia. In recent times, the same place has become home to the Melbourne Arts Precinct – one of the largest concentrations of cultural and creative organisations in the world. Built into the banks of the Birrarung (Yarra River) and extending below the water table, Arts Centre Melbourne was constructed with ingenuity, guts and sheer determination. This limitless imagination and creativity are reflected in the performances, events and experiences on and beyond our stages.

As we reimagine what a future performing arts centre could look like, we are approaching our future with the same ambition, faith and courage with which we were founded. Our ever-evolving program speaks as much to who we are, as to who we could be. Our partnerships, government and philanthropic support, commissions, education, and digital offers see the best emerging and established artists, makers and presenters bring their art to life.

Together we inspire and connect audiences, no matter who or where they are. We are proudly home to four Resident Companies: The Australian Ballet, Melbourne Symphony Orchestra, Melbourne Theatre Company and Opera Australia.

We are also home to many of our state and national performing arts companies and major festivals including Bangarra Dance Theatre, Australian Chamber Orchestra, Ilbjerri Theatre Company, Victorian Opera, Circa, Bell Shakespeare, RISING and Melbourne International Comedy Festival.

We invest in world-leading technical capability and training through our Arts Industry Learning program to provide the performing arts sector with more of the skills it needs to flourish. We support the mental health and wellbeing of our sector through the Arts Wellbeing Collective – a preventative health initiative that promotes positive mental health in the performing arts industry. We share stories of contemporary Australian performing and visual arts through our custodianship and display of the world-class Australian Performing Arts Collection, Australian Music Vault and Public Art Collection. We believe that hospitality is at the heart of a shared experience – from the moment we welcome visitors until they head home.

President's report



Ian Carson AM
Photo: Josh Robenstone.

I am delighted to present the Victorian Arts Centre Trust's Annual Report for 2023 – 2024.

We are proud of the role we play in the artistic and cultural life of Victoria and as a major contributor to the state's creative and visitor economies. The core objective of the Victorian Arts Centre Trust is to enrich the lives of Victorians culturally, educationally, socially and economically by enabling people to connect with, experience and value the performing arts. I feel honoured to lead such a dedicated and passionate group of Trustees.

Thank you to the Victorian Government for enabling us to continue this pursuit. In particular, I would like to thank the Premier, the Hon. Jacinta Allan MP; the Treasurer, Mr Tim Pallas MP; the Minister for Development Victoria, Precincts and Creative Industries, the Hon. Colin Brooks MP; and all of our colleagues at Creative Victoria. To have a government that values our creative industries and their role in thriving communities enhances our position as Australia's leading creative state.

Historically, Arts Centre Melbourne's business model has centred around leveraging Victorian Government funding, generating \$4 in additional revenues for every \$1 received, and creating a \$16 economic impact for the state per \$1 invested. Due to changing economic conditions and consumer behaviour, our focus has been on rebuilding financial sustainability and collaborating to transform the Melbourne Arts Precinct.

Over the past year, we continued working with the Victorian Government and project partners to deliver the \$1.7 billion Melbourne Arts Precinct Transformation (MAPT), a city-shaping

project that will connect one of the largest concentrations of cultural and creative organisations in the world to each other, the city and beyond.

Construction to deliver Arts Centre Melbourne's Theatres Building MAPT Phase 1 works – known as Reimagining Arts Centre Melbourne (RACM) – has commenced, with Lendlease undertaking major construction works to extend our loading dock and basement, refurbish the State Theatre auditorium and create a deck to support the new urban garden. This work is progressing in close collaboration with Melbourne Arts Precinct Corporation (MAP Co) project partners Development Victoria, MAP Co and Creative Victoria.

With an ageing building that turns 40 in 2024, completing the full Melbourne Arts Precinct Transformation will ensure Arts Centre Melbourne can maintain its competitive advantage, operate efficiently and sustainably, and be a standard of civic building befitting its iconic status.

In FY2024, Arts Centre Melbourne continued to host many groundbreaking productions and actively contributed to Victorian Government policies, particularly focusing on the objectives outlined in the Victorian Government's Creative Industries strategy, *Creative State 2025*. Our strategic initiatives have been designed to align with the government's cultural and social priorities, ensuring our role as a key player in promoting arts and culture in Victoria.

Our strategic partners continue to provide Arts Centre Melbourne with invaluable insights, resources and opportunities to deliver on our vision and strategic priorities. Throughout this year, our focus has been on strengthening connections with existing partners and laying

the foundations for future growth.

Finally, we are deeply thankful to our philanthropic supporters for helping us deliver another year of programs and projects at Arts Centre Melbourne. Philanthropy plays a critical role in extending our reach and impact to artists, arts workers and, most importantly, the Victorian community.

As we look forward to FY2025, we remain dedicated to fostering a vibrant, inclusive and resilient arts community in Victoria. I would like to thank the entire team at Arts Centre Melbourne for its passion and dedication. I thank Karen Quinlan AM, our Chief Executive Officer, for her inspired leadership this year.



Ian Carson AM

President
Victorian Arts Centre Trust

Chief Executive Officer's report



Karen Quinlan AM
Photo: Mark Gambino.

It has been an extraordinary year of change and transformation at Arts Centre Melbourne as we continue a journey of renewal in the lead-up to the 40th birthday of our Theatres Building.

Aside from the physical transformation of the Theatres Building, which commenced in earnest last year as part of the Victorian Government's Melbourne Arts Precinct Transformation (MAPT), we are approaching our future with a new strategic direction that places the performing arts at our core.

Under a more focused set of three Strategic Pillars – Destination, Performing Arts and Sustainable Future – a streamlined new Executive structure has been implemented this year to deliver on our aspirations and commitments. This commenced with the appointment of Tammy Willenberg to Deputy CEO in October 2023. Following that, two further roles, Executive Director, Development and Executive Director, Destination and Audience were appointed.

Delivering on our Strategic Pillars will ensure Arts Centre Melbourne is a leading cultural and tourism destination, driving visitation and global recognition, and contributing to the growth of our sector locally.

With the first stage of refurbishment of the Theatres Building well underway as part of Reimagining Arts Centre Melbourne (RACM), a key focus of the year was augmenting the government's funding commitment to the project with philanthropic support. In March 2024, we announced a \$15 million gift from The Ian Potter Foundation to support the redevelopment of the much-loved State Theatre, the largest single gift to a performing arts centre in Australia's history.

I would like to thank our generous community of donors who have supported the RACM capital campaign so far, and acknowledge the leadership of Campaign Chair, John Barlow. Their support, alongside the Victorian Government's investment in the vision for RACM, will enable our Theatres Building to become a world-class destination, improving accessibility to the performing arts for all.

While visitation continues to rebound, it remains well below pre-COVID levels, representing an ongoing challenge to engaging audiences. On our stages, FY2024 was a solid year for attendances, with nearly 1.1 million people enjoying 1,120 performances across all Arts Centre Melbourne venues.

Our four Resident Companies – Melbourne Symphony Orchestra, The Australian Ballet, Melbourne Theatre Company and Opera Australia – graced our stages with a diverse range of performances throughout the year. And in March 2024, we marked the temporary closure of the State Theatre for redevelopment with The Australian Ballet's season of *Alice's Adventures in Wonderland*.

In line with *Creative State 2025's* "First Peoples first" principle, Arts Centre Melbourne continued its dedication to supporting First Nations representation and self-determination. This year, we formally endorsed and commenced implementation of our inaugural Reflect Reconciliation Action Plan, with a focus on increasing First Peoples representation across audiences, creators, performers and team members.

We also spent FY2024 developing our first comprehensive Disability, Equity and Inclusion Plan through extensive consultations involving almost 400 internal and external stakeholders, which produced a strong set of practical action items and focus areas we will deliver on.

We have continued our efforts to support the performing arts sector by creating paid employment opportunities for presenters,

organisations and artists. Our Arts Wellbeing Collective provided essential resources and support to foster healthy, safe and respectful working environments within the creative sector. Additionally, we have increased access to our Registered Training Organisation and the Tech Connect program, aimed at building technical capacity and safety in regional performing arts centres across Victoria.

For more than 40 years, Arts Centre Melbourne has been the proud custodian of the Australian Performing Arts Collection. Thanks to the generosity of donors this year, we were able to acquire more than 5,850 new artefacts, share diverse stories from Australia's performing arts history and offer public tours of our new Collection Store for the first time.

As I look back on another year of achievements, I want to acknowledge the support of Ian Carson AM and the Victorian Arts Centre Trust. Together, we see Arts Centre Melbourne as a place of inclusivity, celebrating all stories and voices. Our goal is to ensure that visitors, artists and presenters feel a sense of belonging here.

My thanks to the Victorian Government for continuing to recognise the immense value Arts Centre Melbourne delivers for the sector and community, supporting us to remain a relevant, fit for purpose, and celebrated part of Melbourne's cultural fabric.

I remain grateful for the opportunity to lead our team during this immense period of transformation, and I look forward to another year ahead.



Karen Quinlan AM

Chief Executive Officer
Arts Centre Melbourne

2023–
2024

40%

intake of First Nations trainees in our Technical Traineeship program

2,200

Victorian students and teachers welcomed to
Arts Centre Melbourne for the spectacular 360 ALLSTARS

3,400+

people welcomed to the Relaxed Performances program curated
by Arts Centre Melbourne, Resident Companies and guests

5,850+

artefacts acquired in the past year, including significant donations

8,000

additional tickets sold through the Tix at 12 discount ticket initiative

15,800

individual stories across print, digital and broadcast media – equating to 43.2 editorial mentions of Arts Centre Melbourne every day

50,000

people engaged across our school communities through our “Arts Centre Melbourne presents” seasons, digital connections, outreach programs, venue tours and workshops in The Channel

232,371

patrons hosted at Sidney Myer Music Bowl over 27 electrifying events

966,000

total campaign exposure for our 2023 NAIDOC Program

1,088,187

people enjoyed 1,120 performances across all Arts Centre Melbourne venues

2.8 million

views on our Facebook page in January 2024 for the Argentinian dance company MALEVO

4.8 million

total website visits over FY2024, roughly 13,150 per day

Don't take our word for it!

Circus 1903

“...this is a show of super-charged sensations, packed with remarkable stunts, artistic puppetry and much comic byplay.”

The Age, 4 stars

“As you take your seat and look at the stage of *Circus 1903*, it really feels like you have been transported back 120 years ago to a big top circus. World-class talent undertake breathtaking acrobatics and routines that show what can be achieved if you put your mind to it.”

My Melbourne Arts

Waru – journey of the small turtle

“The Bangarra Dance team have interwoven an impressive and exciting educational journey that also includes interactive movement – melody and traditional songs that invoke the energies and spirits of the Waru turtle. Elma Kris embraces her brazen young audience with joyful delight, playfully instructing them with simple hand gestures such as cupping and gliding that mimic the sounds and actions of the young turtles as they scurry towards the ocean.”

Stage Whispers

Manifesto

“*Manifesto* by Stephanie Lake Company stands out as an exemplary embodiment of the harmonious fusion of rhythm and movement... Stephanie Lake’s choreography is an electrifying epiphany that ignites the stage with unmatched energy and artistry... The seamless coordination between the dancers and drummers is nothing short of remarkable.”

Dance Life Australia

BLAKTIVISM

“At this current moment, when artists across stages in Australia are being targeted for simply expressing their democratic right to free speech and protest, BLAKTIVISM reminds us that the central mechanism of art and performance is storytelling, and that art is inherently political.”

ArtsHub, 5 stars

Overflow

“Entering a show showered with mass critical acclaim and having your expectations not only met but surpassed, is no small feat. Yet, *Overflow*, the one-woman production by internationally renowned writer Travis Alabanza and masterfully directed by award-winning director, creative producer and curator Dino Dimitriadis, achieved precisely that.”

ArtsHub, 5 stars

Our strategy

Arts Centre Melbourne is proud of the role we play in the artistic life of Victoria and as a major contributor to the state's creative and visitor economies. Here is why and how we do it.

Vision

Arts Centre Melbourne is a globally recognised destination, a gathering place for all to experience the wonders of the performing arts.

Mission

Arts Centre Melbourne will achieve its vision by attracting community and industry to experience our cultural and artistic offerings that connect us all to the performing arts now and into the future.

Values

Guided by our core values, Arts Centre Melbourne is committed to fostering an inclusive and vibrant cultural landscape that inspires and connects our community.

Our values are:

Leadership

Creativity

Equity & Inclusion

Accountability

Looking ahead

The coming months will see the development of our new Corporate Plan, as well as the FY25 Business Plan that will guide our priorities and focus for the next 12 months.

Our new Corporate Plan will guide us towards our goals, keeping us focused on key outcomes, driving revenue recovery, and addressing immediate challenges while also focusing on our future potential.

Our future direction is built around three core strategic pillars: Global Destination, Performing Arts and Sustainable Future.

Each pillar highlights our dedication to creating value for our industry and community.

We see Arts Centre Melbourne as a place of inclusivity, celebrating all stories and voices. Our goal is to ensure that visitors, artists and presenters feel a strong sense of belonging. Our ambition extends beyond our physical spaces. We aim to create a vibrant cultural hub within the Melbourne Arts Precinct, so that Arts Centre Melbourne will be a lively nexus where performing arts, history, culture and community come together.

Strategic pillars

Global Destination

Arts Centre Melbourne is a leading cultural and tourism destination, enhancing the visitor experience of the performing arts and driving visitation and global recognition.

Performing Arts

Arts Centre Melbourne is an industry leader, locally, nationally and globally – delivering public value to the communities it serves.

Sustainable Future

Arts Centre Melbourne demonstrates its Environmental, Social and Governance (ESG) commitment by supporting First Nations culture and self-determination, championing equity and inclusion, and progressing towards Net Zero environmental sustainability, while ensuring financial sustainability through diverse funding partnerships, and investing in the growth and development of our people to foster a fast-learning culture.

Our contribution to government policy

In FY2024, Arts Centre Melbourne actively contributed to Victorian Government policies, particularly focusing on the objectives outlined in the Victorian Government's Creative Industries strategy, *Creative State 2025*. Our strategic initiatives have been designed to align with the government's cultural and social priorities, ensuring our role as a key player in promoting arts and culture in Victoria.

Commitment to First Nations and Reconciliation

We continued our dedication to supporting First Nations representation and self-determination, echoing the Victorian Government's commitment to these values. Our efforts are in line with *Creative State 2025's* "First Peoples first" principle. This year, we built on our reconciliation journey, formally endorsing and beginning the implementation of our inaugural Reflect Reconciliation Action Plan. We remain committed to making Arts Centre Melbourne a welcoming and inclusive space for First Peoples communities, and our focus on increasing their representation spans across audiences, creators, performers and team members.

Cultural Collaborations and Major Initiatives

Situated within the heart of the Melbourne Arts Precinct, we have collaborated with neighbouring cultural institutions to enhance tourism and cultural engagement. Major initiatives and collaborations such as ALWAYS LIVE, RISING, Live at the Bowl and the Australian Music Vault have been pivotal in attracting visitors and boosting the local cultural scene.

Equity, Inclusion and Community Engagement

Our alignment with the Victorian Government's equality agenda is evident through our continued focus on equity and inclusion. We support strategies like *Pride in our future: Victoria's LGBTIQ+ Strategy 2022–32*; *Our equal state: Victoria's gender equality strategy and action plan 2023-2027*; *Inclusive Victoria: State Disability Plan (2022–2026)*; and *Creative State 2025's* "For every Victorian" principle.



Alter State 2024, Private View. Photo: Alexander Mitchell.

Custodianship of Cultural Collections

We are proud custodians of two nationally significant collections: the Australian Performing Arts Collection and the Public Art Collection. Throughout FY2024, we have enhanced our capacity to collect, store and preserve these cultural assets. We launched the Collection Store initiative, which provides Victorians greater access to their cultural heritage through innovative physical and digital avenues. This project has opened up new opportunities for learning, research and public engagement, showcasing the intricate processes involved in managing and preserving cultural collections.

Educational Initiatives and Partnerships

In partnership with the Victorian Department of Education and supported by generous donors, we continued to deliver a variety of Creative Learning programs to students and teachers across Victoria. Our school programs, which include partnerships with professional arts organisations and guest teaching artists, have provided valuable curriculum-aligned opportunities, especially for students from lower socio-economic backgrounds, allowing them to participate in mainstage performances and interactive workshops.

Asia TOPA and International Outreach

Preparations for the next Asia TOPA festival were well underway in FY2024. As Australia's

premier festival of contemporary Asia-Pacific performance, Asia TOPA, a joint initiative of Arts Centre Melbourne and the Sidney Myer Fund, aims to elevate Victorian and Australian artists on an international stage. Scheduled for 2025, the Victorian Government-funded initiative will play a crucial role in enhancing global cultural exchange and attracting international visitors to Melbourne, bolstering the performing arts sector's reach and impact.

Supporting the Performing Arts Sector

We have continued our efforts to support and revitalise the performing arts sector by creating paid employment opportunities for presenters, organisations and artists. Our Arts Wellbeing Collective provided essential resources and support to foster healthy, safe and respectful working environments within the creative sector. Additionally, we have increased access to training programs through our Registered Training Organisation and the Tech Connect program, aimed at building technical capacity and safety in regional performing arts centres across Victoria.

Through these initiatives and strategic partnerships, Arts Centre Melbourne has demonstrated its ongoing commitment to supporting and advancing the Victorian Government's cultural, social, and economic objectives. As we look to FY2025, we remain dedicated to fostering a vibrant, inclusive and resilient arts community in Victoria.

Our impact

As a purpose-led arts organisation, Arts Centre Melbourne has been creating positive impact since our establishment. Until recently, we have been measuring that impact primarily through aggregated numbers and individual pieces of storytelling.

Though we know from experiencing it for ourselves, the impact of arts and culture goes beyond numbers and sometimes even beyond words.

And so we face a challenge of meaningfully 'measuring what matters' to capture, interpret and articulate a more accurate narrative of Arts Centre Melbourne's public value contribution to Victoria and beyond.

In FY2023, for the first time, we developed a unique, organisation-wide Impact Research Program, to help us bolster our accountability, support advocacy efforts and better inform our decision-making through empirical outcomes measurement and insights generation.

In FY2024, we began implementing the program, which encompasses our Impact Model (operating at an overarching organisational level), and our evaluation function (producing insights at the project and program level).

Aligned to and supported by the evaluation function, the Impact Model is built to hold equal consideration of contributing spheres of impact – economic, social, cultural, educational and environmental. It aligns with *Creative State 2025* and the Victorian Department of Jobs, Skills, Industry and Regions *Strategic Plan 2023-2027*, and it incorporates the outputs we are required to report as a Creative Industries portfolio agency.

Our model is designed to represent an Arts Centre Melbourne point of view in the context of broader concepts of the value of arts and culture, proposing a theory of change through three lenses.



Audiences witnessed the golden age of circus with the mesmerising *Circus 1903* in the State Theatre. Photo: Ken Leanfore.

Impact theme 1

More Imagination — Creative Future

Art is a catalyst for imagination: Our work inspires audiences and sparks their curiosity, catalysing public imagination and helping to shape a creative future. We facilitate genuine creativity needed to respond to unpredictability and opportunity in increasingly expansive and complex social systems.

Impact theme 2

More Wellbeing — Better Lives

Art is an agent of wellbeing: Our work helps people connect with each other, their community and the world, creating and holding space for reflection and broadened perspectives that promote a sense of belonging, supporting wellbeing in service of better lives for people and planet.

Impact theme 3

More Artistry — Stronger Industry

Art and artistry sustain a generative creative industry: Our capability supports livelihoods for artists, makers and presenters, nurturing artistry and helping to build a stronger industry. We sit at the nexus between our industry and audiences, and play an important role in providing the skills, technology, networks and spaces for ambitious work at scale and helping to build capability and careers so our industry can keep doing its best work.

Our year in review

Highlights from our work across our strategic priorities are outlined on the pages that follow.

Reimagining Arts Centre Melbourne

Together with the Victorian Government we are Reimagining Arts Centre Melbourne as part of the \$1.7 billion Melbourne Arts Precinct Transformation – a city changing project that will cement Melbourne's position as Australia's cultural and creative capital. The past 12 months of the project have been very productive, while performances on our stages continue unabated and without disruption.

Foundation works a success

With the assistance of two enormous piling rigs, 358 piles were installed on site between October 2023 and March 2024. This is the first stage of foundation works that will allow us to extend the basement of the Theatres Building. A lot of upcoming work to reinforce the building to allow for excavation will happen below ground, making it difficult to see progress. This work is critically important to reduce risk on the project and to ensure construction does not disturb ground conditions, Coode Island silt, and the surrounding area. We are working closely with our construction partner Lendlease to ensure a quality outcome is achieved and we thank them for their efforts.

State Theatre refurbishment underway

In March 2024, we marked the closure of the State Theatre with The Australian Ballet's season of *Alice's Adventures in Wonderland* and a rousing send-off from David Hallberg, Artistic Director. It was an emotional and heartfelt moment for everyone there and we look forward to welcoming back resident companies The Australian Ballet and Opera Australia for their 2027 performance seasons.



Members of the Victorian Arts Centre Trust tour the construction site with representatives from Development Victoria and Lendlease. Photo: Mark Gambino.

In April 2024, protection works commenced to ensure the glorious John Truscott finishes are carefully preserved while structural works occur inside the State Theatre auditorium.

With great respect for the original design of our beloved State Theatre, the team has worked in collaboration with our heritage advisors and Heritage Victoria to ensure Truscott's interior finishes are looked after, refurbished and reinstated while necessary improvements are made to accessibility and acoustics. Of primary consideration is the storage and protection of the grand State Theatre house curtain. Due to its size and fragile nature, the most appropriate choice was to store the curtain within a custom-made protective bag in the stage house, while the construction works happen around it.

New car park entrance

Construction of a new covered entrance in front of the Arts Centre Melbourne car park entry on Kavanagh Street marks the first major above-ground element for the new urban garden. Once complete, it will bear the weight

of the garden that will envelope the Theatres Building, extending from Hamer Hall to The Fox: NGV Contemporary. Access and car park operations were maintained throughout this significant construction period, utilising an entry and exit point from Southbank Boulevard for a six-week period.

Looking ahead

Reimagining Arts Centre Melbourne is a long-term project that is the culmination of many years of careful consideration and planning for our future. It will continue for several years and there will be challenges along the way, but an extraordinary team has carriage of its success for the people of Victoria. We look forward to sharing our progress on the journey.



Piling underway at the back of the Theatres Building. Photo courtesy of Keller.

“In March 2024, we announced a \$15 million gift from The Ian Potter Foundation to support the redevelopment of the much-loved State Theatre, the largest single gift to a performing arts centre in Australia’s history. I would like to thank our generous community of donors who have supported the RACM capital campaign so far. Their support, alongside the Victorian Government’s investment in the vision for RACM, will enable our Theatres Building to become a world-class destination, improving accessibility to the performing arts for all.”

Karen Quinlan AM, Chief Executive Officer, Arts Centre Melbourne.



Concept-only render by NH Architecture showing extension of the Theatres Building basement structure, to provide a larger Loading Dock, new studio and rehearsal space, as well as a function room and new back-of-house spaces.

Performing arts

Overall, FY2024 was a strong year for our performance schedule, with 1,088,187 people enjoying 1,120 performances across all Arts Centre Melbourne venues.

Resident Companies

Our Resident Companies graced our stages with a diverse range of performances.

Highlights included:

- **Melbourne Symphony Orchestra** brought pop culture alive with *Star Wars: Return of the Jedi* and *The Man from Snowy River*. Other highlights included Deborah Cheetham's *Eumerella*, the enduring *Handel's Messiah*, April's Baroque Festival, and Chief Conductor Jamie Martin's *The Planets* featuring Elgar's *Cello Concerto*.
- **Melbourne Theatre Company** celebrated new works under the artistic direction of Anne-Louise Sarks, including the debut of *Bloom*, which received the Green Room Award for New Australian Music Theatre Writing.
- **Opera Australia** moved into Hamer Hall while the State Theatre is closed, with planning underway to stage a production of *Breaking the Waves*, based on the film by Lars Von Trier, and a gala performance celebrating Giacomo Puccini.
- **The Australian Ballet** premiered a new rendition of *Swan Lake* by Anne Woolliams, before bidding farewell to the State Theatre with its spectacular sold out production of *Alice's Adventures in Wonderland*.



The Australian Ballet on the State Theatre stage with Christopher Wheeldon's extravagant *Alice's Adventures in Wonderland*. Photo: Christopher Rodgers-Wilson.



Arts Centre Melbourne hosts the fourth iteration of BLAKTIVISM as part of ALWAYS LIVE.
Photo: Jacinta Keefe.

First Nations projects

Arts Centre Melbourne continued developing engagement with First Nations artists, communities and audiences across our venues, including:

- Short Black Opera's *Parrwang Lifts the Sky* created by Deborah Cheetham Fraillon AO in the Playhouse
- Bangarra Dance Theatre's first work for children, *Waru – Journey of the Small Turtle* in the Fairfax Studio
- *Blaktivism*, featuring King Stingray, performing to a capacity crowd in Hamer Hall
- Songline's *Share the Spirit Festival* in the Sidney Myer Music Bowl.
- *Soundwaves*, a range of electronic music production workshops by Songlines Aboriginal Music and Funny Mob in The Channel
- *Funny Mob*, a program co-designed with First Nations comedians to amplify rising stars from the Melbourne International Comedy Festival's *Deadly Funny* showcase.

Access and inclusion

Now in its 10th year, the Relaxed Performances program welcomed over 3,400 people to a program curated by Arts Centre Melbourne, Resident Companies and guests.

Continuing our role as leaders in inclusive arts practice, we facilitated a national initiative in partnership with Arts Access Victoria, including an arts industry forum led by neurodivergent artists.

This work also included an adjustment to the 10-year plan, the development of an allies circle, commissioning new disability-led works, collaborating with 10 industry partners, and engaging with over 50 Deaf and Disabled artists, including 12 First Nations artists.

Contemporary performance

Highlights of the contemporary program and Arts Centre Melbourne new work commissions included:

- Janet Anderson in Travis Alabanza's *Overflow*
- Stephanie Lake Company's *Manifesto*
- Michelle Law's *Miss Peony* (with Belvoir St Theatre)
- Deborah Conway and Willy Zygyer's *Book of Life*
- Jude Perl's *Share House: The Musical*
- International artists Angélique Kidjo, Neil Gaiman, and Ukraine's Dakha Brakha.

Live at the Bowl

Sidney Myer Music Bowl hosted 27 events with 232,371 patrons, with notable performers including *Queens of the Stone Age*, *Noah Kahan*, *Chaka Khan*, *The Teskey Brothers*, *Dom Dolla*, *Ludovico Einaudi*, *Bjorn Again* and *Daniel Caesar*.

Families and creative learning

The year's in-house program featured spectacular performances from local and international artists celebrating diversity, virtuosity and collaboration.

- Families: The accessible Families program provided high-quality performances and participatory events that were either free or low-cost, showcasing puppetry, circus, dance, music and theatre. With consistently strong engagement, the summer period achieved more than 80% capacity.

- Schools: Engagement reached almost 50,000 across our school communities. This included 27,000 students and teachers through our "Arts Centre Melbourne presents" seasons, alongside digital connections, outreach programs, venue tours, and workshops in The Channel.
- Public programs: Our public program, PLAY, worked with more than 20 industry partners to deliver workshops and masterclasses, bringing new and diverse audiences through partnerships with Arts Access Victoria, Songlines, Bukjeh, Colour Box Studio, and The Push.



The Plants interactive musical installation, part of the Families & Children Summer Program 2024, was made possible by the generous support of Dr John Leaper OAM and Mrs Jenny Leaper OAM. Photo: Li Michelle.



Arts Centre Melbourne is the proud custodian of the Australian Performing Arts Collection, which is dedicated to the collection, preservation and interpretation of Australia's circus, dance, music, opera and theatre heritage. Photo: Eugene Hyland.

Australian Performing Arts Collection

- Loans and acquisitions: More than 5,850 artefacts were acquired in the last year, including significant donations from soprano Deborah Cheetham Fraillon, producer John Frost AM, and from leading designers Roger Kirk, Tony Tripp, Julie Lynch, Victoria Feitscher and Hugh Colman.
- The Art Collection also serviced several loans to cultural organisations, including the National Sports Museum and the Museum of Sydney.
- Collection displays: Barry Humphries, Bangarra Dance Theatre, The Australian Ballet, Pilgrim Puppet Theatre, and the art of set model design were all celebrated in the Smorgon Family Plaza.
- In conjunction with the Reconciliation and NAIDOC seasons, the annual changeover in the Velik Foyer at Hamer Hall saw a

new suite of First Nations-related objects on display.

- Tours: The new behind-the-scenes Collection Store Tours launched in September 2023, providing consistently strong results with most Sunday sessions selling out.

Milestones and celebrations

We celebrated a range of artistic milestones over the last year, including:

- Displays were installed in the Australian Music Vault celebrating Mushroom's 50th birthday
- Trailblazers Yothu Yindi were inducted into the NIMA Hall of Fame
- Rock band Jet was inducted into the ARIA Hall of Fame
- Bart Willoughby received the Ted Albert Award for outstanding services to Australian music.

First Nations Foundations and Equity & Inclusion

Arts Centre Melbourne is committed to being a gathering place for all Victorians, which cannot be achieved without equity and inclusion at the heart of our strategy.

Reconciliation Action Plan

Since the launch of our 'Reflect' Reconciliation Action Plan (RAP) in May 2023, Arts Centre Melbourne has made significant progress, completing approximately 80% of the specific RAP deliverables, which run until October 2024.

The RAP was formed to ensure organisation-wide accountability and responsibility on deliverables, resulting in a journey on Reconciliation and learning for all across our First Nations employees, patrons, performing artists and creatives, both on and off the stage.

First Nations employees and partners

From an internal job perspective, we have achieved increases in our First Nations workforce. A notable mention is our Technical Traineeship program, where more than 40% of the intake comprised of First Nations trainees.

We have also worked on establishing engagement frameworks for the organisation, equipping staff to ensure cultural safety and minimise harm.

We continued to look at collegiate program initiatives, working with small First Nations-led arts organisations in a self-determined and truly co-designed manner.

First Nations programs and performance

From a programming perspective, we worked collaboratively to have First Nations cultural elements and performing artists elevated and highlighted through events including the YIRRAMBOI Festival, RISING: Melbourne, BLAKTIVISM, and the Share the Spirit Festival.

We also presented a range of First Nations-led productions over the year:

- *Yuldea* (Bangarra Dance Theatre)
- *Waru* (Bangarra Dance Theatre)
- *Eumeralla* (Melbourne Symphony Orchestra)
- *The Visitors* (Victorian Opera).

NAIDOC Week

Partnering with our Resident Company, the Melbourne Symphony Orchestra (MSO), our NAIDOC program for 2023 delivered the following First Nations events:

- *Bungal*
- *Aretha*
- *One Song: The Music of Archie Roach*
- *Electric Fields x MSO*.

From an impact perspective, our 2023 NAIDOC Program had a total campaign exposure of around 966,000 people.

Cultural Equity & Inclusion

The diversity of the Victorian landscape continues to grow, with 49% of Victorians having been born overseas, or had a parent who was born overseas.* Now, more than ever, it is important for Arts Centre Melbourne to ensure that it is a place for all so we can continue to serve all Victorians.

The Cultural Equity & Inclusion team is working towards systemic change and creating safer spaces through multiple initiatives:

- Cultural awareness and development program
- Equity & Inclusion Statement of Intent
- Enhanced workforce demographic data collection
- Cultural Safety Framework for Asia TOPA 2025 artists.

Our Racial Equity Network continued to grow, with representation from all areas of the organisation.

This year, the Network delivered activities as part of Cultural Diversity Week and provided invaluable feedback on improving the cultural safety of the organisation.

Over FY2024, we developed methodology on capturing workplace demographics grounded in safety and care for our team members. This has been critical in capturing our team's diversity and will inform areas to improve racial equity.

In line with global trends capturing demographic data, we no longer only ask culturally and linguistically diverse audience members to complete identity demographics. To increase cultural safety, this is now a standard question for all audience members across all backgrounds, providing a more comprehensive view of our audiences in relation to identity.

Disability, Equity and Inclusion Plan

We spent FY2024 developing our first comprehensive Disability, Equity and Inclusion Plan. Extensive consultations involving almost 400 internal and external stakeholders, along with business partners across the organisation, resulted in a strong set of practical action items identified by our community.

These have been broken up into four priority areas outlined in the *Victorian Disability Act 2006*:

- attitudes and practices
- employment
- access to goods, services and facilities
- inclusion and participation in the community.
- Our new plan will be released in FY2025 and lays strong foundations for future growth.

* Source: Australian Bureau of Statistics 2021

Gender Equality Action Plan

Arts Centre Melbourne launched its first Gender Equality Action Plan in 2022 with a focus on three priorities: inclusive leadership; inclusive and equitable culture; and systems and infrastructure.

To date, more than 21% of action items are complete, over 30% are in progress, and a further 17% are ongoing with continuous improvement.

Our first Gender Equality Progress Report was submitted to the Commission for Gender Equality in the Public Service in February 2024. Data analysis revealed strong progress in areas including workforce data, team confidence and capability, all-gender facilities, and pay gap transparency.

Gender Equity, LGBTQIA+, Age, Disability Access Employee Reference Group

After launching in 2022, the Gender Equity, LGBTQIA+, Age, Disability Access Employee Reference Group (GLADA) met monthly throughout FY2024, with dedicated members from across the organisation working together to enhance internal Equity & Inclusion initiatives.

GLADA's multi-dimensional approach continues to foster a space for intersectional learning, as well as cross-organisational collaboration and connection. Overall, we seek continuous improvement in the accessibility of our offerings, processes and communications.



BLAKTIVISM theme *Holding Koorie Space* paid homage to Koorie families, keeping their stories alive through song, ceremony, visual art and dance. Photo: Jacinta Keefe.

Customer experience

Overall, FY2024 was a strong year for our performance schedule, with 1,088,187 people enjoying 1,120 performances across all Arts Centre Melbourne venues.

Strategic Communications

Arts Centre Melbourne's Strategic Communications team exists to tell and share stories of reach and impact the organisation delivers on and off its stages.

Through compelling storytelling: the team builds awareness and sentiment toward our brand; elevates understanding of who we are and what we do; builds a network of supporters and advocates; and influences decision makers to see the value we bring to the people of Victoria.

The team is responsible for: all external and internal communications functions; brand narrative and storytelling that underpins our mission and purpose; mitigating reputational impacts; and supporting positive employee connection and culture.

The Strategic Communications team produces Arts Centre Melbourne's corporate outputs, such as this report, in addition to major brand storytelling outputs, ranging from podcasts to video content.

Campaign-based storytelling through earned media coverage of projects and programs is a major component of the team's work. This year, the Media team achieved:

- 15,800 individual stories across print, digital and broadcast media – equating to 43.2 editorial mentions of Arts Centre Melbourne every day.
- The dollar value of coverage earned across the reporting period (what it would cost to purchase the achieved coverage) was \$160 million.
- Total audience reached through media coverage was 18 billion.

Customer Service

The Customer Service team delivers exceptional experiences every day across our venues.

This year, the team introduced digital signage inside our venues to improve wayfinding for visitors, and our team of tour guides added the Australian Performing Arts Collection Tours to its service offering.

The tour guides enjoyed collaborating with the Collections, Research & Exhibitions teams, learning about the history and stories behind items in our Collection to share with tour attendees during the popular new tours.

Customer Growth

Our primary aim in Customer Growth has been delivering a ticketing function that is not just static, but dynamic, innovative and capable of adjusting to the ever-evolving needs of our patrons. This involved refining our online transaction experience to meet customer expectations, and leveraging it to drive higher conversion rates and per-head spending.

Additionally, we have been deeply committed to pushing the technological envelope in ticketing, going above and beyond industry benchmarks, particularly in terms of accessibility and community engagement.

Given the substantial shift in audience purchasing behaviour amidst the current economic climate, ensuring affordability and accessibility has been imperative. To achieve this, we have been devoted

to providing a comprehensive range of ticketing options tailored to diverse needs, ensuring inclusivity across the board.

Customer Innovation

The Customer Innovation team is responsible for bridging the physical and digital interactions in the design and implementation of the entire customer journey.

Over the past year, working closely with supporting teams across the business, the Customer Innovation team has focused on:

- the entire hospitality/food and beverage/ functions experience
- potential activations relating to activities on the stage
- car parking and related services
- innovating and redesigning our tours.

A focus on reinventing our tours with contemporary components during and, more importantly, post the Reimagining Arts Centre Melbourne project has been at the forefront of our work. Potential innovations for tours included:

- virtual reality
- honouring our Traditional Owners, the Wurundjeri Woi Wurrung people, and the history of the lands on which we operate
- exploring future stages of the Melbourne Arts Precinct Transformation project



By the award-winning team behind *The Illusionists* and international sensation *War Horse*, *Circus 1903* featured majestic elephants brought to life by breath-taking puppetry. Photo: Ken Leanfore.

Over the past year, the team also innovated in the culinary department with a range of offerings inspired by The Australian Ballet's season of *Alice's Adventures in Wonderland*, including *Mushroom Bloom* and *Queen of Heart* inspired entrées, and an aptly named *Eat Me* dessert featuring miracle berries.

Customer Engagement

Performance attendance

Economic barriers continued to influence attendance over FY2024, with late ticket purchasing and a reduction in attendance frequency notable in our ticket transactions. However, there was still a strong uptake for well-known artists and shows, as well as events with positive recommendations and reviews.

The newly launched Tix at 12 discount ticket initiative achieved positive customer sentiment, selling an additional 8,000 tickets.

The Always On and Destination marketing campaigns also supported revenue recovery by promoting high-appeal events and offers across the venue, through targeted advertising campaigns that reached 18 million people (across 73 million impressions).

Tours and campaigns

After launching in September 2023, the Collection Store Tours increased from one to three tours per week after consistent sell outs. In May 2024, two international delegations attended the tour as part of the Australian Tourism Exchange and our partnership with Visit Victoria.

The blockbuster *Circus 1903* campaign involved a collaboration with Public Transport Victoria to bring a life-size elephant puppet to Flinders Street Station, as well as *Erth's Prehistoric World* dinosaur puppets delighting passengers on a city tram.

Digital experience

Preliminary investigation commenced into the redevelopment of Arts Centre Melbourne's website and digital estate to improve customer experience.

Arts Centre Melbourne-owned digital channels continued to strengthen across web, email marketing and social media. In January 2024 the Argentinian dancers of Malevo attained 2.8 million views on our Facebook page with their performance on the Theatres Building forecourt. The website experienced 4.8 million visits with 2.1 million new users.

People

In FY2024, our team remained critical to the success of Arts Centre Melbourne. Our focus on the development, wellbeing and engagement of team members remained a key priority. Arts Centre Melbourne's people are highly skilled, bring fresh perspectives, creativity and purpose to all that we do. Together, we ensure that we are always representing the people of Victoria, on and off our stages.

Our workforce continued to support the delivery of world-class performances and events alongside the Reimagining Arts Centre Melbourne project and broader Melbourne Arts Precinct Transformation.

Collaboration among teams

Flexibility and collaboration continued to be key themes for our workforce, with team members spread across several locations to support performances and events. From front-of-house to office-based work, workplace locations this year included the Theatres Building, Hamer Hall, Sidney Myer Music Bowl, Hub Flinders Street and the Primrose Potter Australian Ballet Centre.

With Reimagining Arts Centre Melbourne well underway, we continued to lean on technology and communication during this period of disruption to keep the workforce safe and inspired while construction and precinct upgrades are delivered. To keep teams engaged and informed we delivered multiple cross-organisational initiatives under the strategy and held regular all-team events to celebrate successes and update teams throughout this period.

Developing our people

Our focus on people and capability development has also continued this year with our Everyday Leader Program. The program, which has now been delivered to over 100 team members, is uniquely designed to develop excellence in our leaders and people in a practical and supportive way. The program focuses on inclusive leadership, psychological safety, performance coaching, giving and receiving feedback and much more – all contextualised for Arts Centre Melbourne's unique operating environment.

Other areas of individual and team development focused on effective communication and team dynamics, equity and inclusion and occupational health and safety, all supported by LinkedIn Learning, a key source of self-directed learning across the organisation.

Engaging our teams

This year, we continued our focus on all areas of employee engagement by participating in the Victorian Public Service People Matter Survey.

The People Matter survey is a safe and anonymous way for employees to tell Arts Centre Melbourne what they think of and experience in our workplace. It asks for employee opinions on how our public sector values and principles are practiced at Arts Centre Melbourne.

The results from this survey feed into a variety of activities and projects across the organisation, including Arts Centre Melbourne's Gender Equality Action Plan and our Disability, Equity and Inclusion Plan.

We continued to utilise our People Assist and Talk To email inboxes internally for team members to provide ad hoc feedback and ask questions throughout the year, with two-way communication being integral to keeping people informed and engaged.

A focus on team wellbeing

As part of Arts Centre Melbourne's commitment to supporting the wellbeing of its team members, our Employee Assistance Program services continue to be consistently utilised by team members and their immediate families, including access to culturally responsible support services for people of colour.

Usage of the Employee Assistance Program continues to be highest among employees (80%) with a small amount used by family members. Employee Assistance Program counselling is the most utilised service followed by financial support and manager support.

Improving mental health in our sector

We support the mental health and wellbeing of our sector through the Arts Wellbeing Collective. Through the Arts Wellbeing Collective three-year strategic plan, we retained the diverse membership of our Lived Experience Advisory Group with 11 members continuing their commitment to co-designing resources and program outputs.

Continuing our support for arts industry workers, the Arts Wellbeing Collective training program underwent a significant refresh this year. More than 400 artists and arts workers participated in revised training, including Mental Health First Aid, Responding to Mental Distress, Creative Self Care and Creating Mentally Healthy Workplaces.

The Arts Wellbeing Collective also launched Navigate Well, a career mapping guide, in addition to producing resources focusing on healthy eating and combatting fatigue, and giving presentations at numerous industry events.

Information technology (IT)

The past year was pivotal for Arts Centre Melbourne's IT operations, marked by several transformative initiatives improving reliability and efficiency across our community:

- **Cloud and software enhancements:** Our expanded cloud capability facilitated the migration of numerous services, alongside the integration of 'software as a service' applications.
- **Infrastructure upgrades:** Significant upgrades were implemented to modernise our tools and services, including a state-of-the-art phone system, improved Wi-Fi capacity, and our new rostering system, a major operations milestone.
- **Reimagining Arts Centre Melbourne:** This project remained a centrepiece of operations, necessitating equipment relocations and infrastructure adjustments to support construction zones and future developments around the State Theatre.

Data and insights

Key reporting initiatives: We launched a comprehensive data and reporting platform, strategically consolidating critical data and enterprise-wide analytics across the organisation, empowering insights across business units.

The team delivered a diverse range of reports, including impact models, compliance, post-campaign analyses, ticket sales forecasts and event comparisons.

- **Key metrics:** The implementation of "metrics that matter" provided a comprehensive view of business performance and effectiveness, aligning with strategic objectives across our organisation.

Infrastructure

Alongside essential service maintenance, significant capital works upgrades were executed across Arts Centre Melbourne's aging infrastructure. Notable projects included:

- upgrades to Hamer Hall's foyer lights
- upgrades to Playhouse and Fairfax Studio paging systems
- Fairfax Studio camera upgrades
- kitchen equipment upgrades
- essential works to our facilities' high voltage infrastructure

We were also thankful to receive funding from the Victorian Asbestos Eradication Agency to support asbestos removal embedded in fire doors and back-of-house plant rooms at Hamer Hall.

Occupational health and safety (OHS)

Arts Centre Melbourne's OHS Committee was key to consulting on all OHS-related matters within the organisation. Made up of managerial and health and safety representatives, the Committee met extensively to facilitate safety inspections, hazard identification, and policy updates:

- **Safety innovations:** A newly dedicated Production Safety team further consolidated our industry-leading safety protocols, providing specialised advisory services to production teams, hirers, and presenters.
- **Noise management:** New safety protocols were established with the development of a noise management plan, mitigating potentially hazardous risks from plant and equipment noise in workplace and performance settings.
- Audiometric screenings were also introduced biennially for staff exposed to hazardous noise, enhancing vital health monitoring within our noise management framework.
- **Wellbeing initiatives:** We continued our focus on team wellbeing, with the thriving Care More initiative over October 2023, a two-week program featuring a range of health, safety, and wellbeing activities, supported team member wellbeing throughout the year.

Risk management

Effective enterprise risk management continued to be imperative, assisting to protect and create value for the organisation by embedding risk intelligent practices into the organisation's corporate planning and key decision-making processes.

Continuous monitoring of external factors – including geopolitical tensions, cybersecurity threats, and economic pressures – ensured agile responses within our risk management framework, keeping a strong, future-focused eye on any changes to the internal and the external environment and adapting to any uncertainties and changes as necessary.

- **Adaptive strategies:** Attention to aging assets and infrastructure continued to be a strong focus, while significant attention was given to managing the scope, quality and risk aspects of the Reimagining Arts Centre Melbourne project.

Arts Centre Melbourne continues to ensure it has a strong compliance framework in place, including governance and accountability frameworks and supporting policy frameworks.

Partners: We continued to ensure safety and security for partners in our spaces, including for RISING's *8/8/8 : REST* and the Sydney Theatre Company's *RBG: Of Many, One*.

Risk management at Arts Centre Melbourne is performed in accordance with the AS/NZS 31000 – Risk Management standard, the Victorian Government's Risk Management Framework and the Standing Directions 2018 under the *Financial Management Act 1994*. Quarterly risk reports are provided to the Trust's Risk Management and Audit Committee and Creative Victoria, including reporting against our Strategic Risk Register.



Image: The key elements that drive risk management at Arts Centre Melbourne towards a risk intelligent culture.

Our partners

Our strategic partners continue to provide Arts Centre Melbourne with invaluable insights, resources and opportunities to deliver on our vision and strategic priorities. These collaborative relationships open opportunities to create cultural, social, educational and economic impact for Arts Centre Melbourne, the broader industry, and the people of Victoria.

Throughout this year, our focus has been on strengthening connections with existing partners and laying the foundations for future growth.

Arts Centre Melbourne was proud to partner with ALWAYS LIVE for the second year running, presenting large-scale contemporary music events as part of the FY2024 program. These included BLAKTIVISM in Hamer Hall, a line-up of First Nations living legends headlined by the inimitable King Stingray, and the SOUNDBOX, a pop-up studio situated on Arts Centre Melbourne's forecourt featuring live performances, studio sessions, and broadcasts from emerging artists through to household names. Arts Centre Melbourne will continue to work with partners in the major events calendar to solidify Victoria as a destination of choice for arts and culture.

This year, we renewed our long-standing partnership with the University of Melbourne, reinforcing

both organisations' commitment to creativity, innovation and shared value. Creating resilience in the arts and culture sector is at the heart of our Cultural Partnership Agreement, with activities and initiatives cementing the themes of precinct and place, training and learning, Indigenous knowledge, research and programming.

Partners of Australian Music Vault, APRA AMCOS, ARIA, Nightlife Music and ABC Radio play a critical role in the operation and promotion of the permanent exhibition in Arts Centre Melbourne's Theatres Building. The integral connection and ongoing collaboration with key music industry bodies sees the Australian Music Vault continue to provide storytelling opportunities for the Australian music industry for generations to come.

JCDecaux, Australia's leading out-of-home advertising company, continues to demonstrate its support of the arts sector through its partnership

with Arts Centre Melbourne. By tapping into JCDecaux's high visibility assets, Arts Centre Melbourne has been able to profile our diverse offering to new audiences and communities through creative content and campaigns.

Arts Centre Melbourne has worked with youth music organisation The Push for more than two decades, and in FY2024 we continued our collaboration to illustrate the importance of live performance in the lives of young people. Together with the Australian Music Vault, Arts Centre Melbourne helped produce *Forever Young*, a three-part docuseries on the 30-year history of The Push and its impact on Australia's live music scene. Amplifying our shared stories continues to be a core part of our work with partners.

As we look towards the future, and the reimagined Melbourne Arts Precinct takes shape, Arts Centre Melbourne will continue to collaborate with the private sector and industry partners to create a sustainable sector. We take immense pride in how our work with partners can shape our organisation, our precinct and the future of the arts in Victoria.

SUPPORTING PARTNERS



MEDIA PARTNERS



INDUSTRY PARTNERS



Philanthropy

We are deeply thankful to our philanthropic supporters for helping us deliver another year of programs at Arts Centre Melbourne. Philanthropy plays a critical role in extending our reach and impact to artists, arts workers and, most critically, the Victorian community.

This year, donations to Arts Centre Melbourne have helped: provide access to the arts for disadvantaged, diverse and distanced members in our communities; support artists and companies to create new works and bring existing stories to a wider audience; showcase our extraordinary Australian Performing Arts Collection; offer life-changing creative learning opportunities and industry learning; and provide tailored mental health and wellbeing programs.

Highlights of the impact of philanthropic giving to Arts Centre Melbourne this financial year include:

Imagine Anew

We are incredibly humbled by the support for Imagine Anew, our landmark fundraising campaign to reimagine our Theatres Building, as part of the Melbourne Arts Precinct Transformation. In March, we announced an incredible \$15 million gift from The Ian Potter Foundation, the largest single gift to a performing arts centre in Australia's history, to support the redevelopment of the much-loved State Theatre. We would like to thank our generous community of donors who have supported the campaign so far, and acknowledge the leadership of Campaign Chair, John Barlow.

Their transformational support, alongside the Victorian Government's investment, will enable our Theatres Building to become a world-class destination, improving accessibility to the performing arts for all.

Access and Inclusion

Removing barriers to the arts is at the core of our philanthropic purpose. Since 2008, the 100% donor funded First Call Fund has provided free and subsidised tickets and transport to schools from communities experiencing socio-economic and cultural disadvantage. This year, we were thrilled to welcome 17,672 teachers and students to Arts Centre Melbourne thanks to the program's support, including more than 2,200 students and teachers from across Victoria to the spectacular 360 ALLSTARS.

Donor support allows us to present more accessible and welcoming experiences, including relaxed performances across our Families and presenting programs. Support has also been vital as Arts Centre Melbourne and Arts Access Victoria collaborate on an exciting program for the third iteration of the arts and disability initiative, Alter State, in October.

Education and Creative Learning

Arts Centre Melbourne is proud to be the only industry based Registered Training Organisation providing accredited training in theatre technical production and services. Thanks to philanthropic support, we were again able to provide a year-long traineeship to four young people who graduated with a Certificate III in Live Production and Services in February 2024. We also welcomed three trainees who will specialise in Lighting, Sound and Staging respectively throughout 2024.

Thanks to the generous ongoing support of the Vincent Fairfax Family Foundation, 2024 was also the second successful year of our venue-based training offer, Tech Connect Queensland.

With the support of donors and industry partners, our dedicated Creative Learning venue, The Channel, welcomed young creatives and arts enthusiasts to PLAY, our vibrant program of workshops, panels and performances. We presented *Yes Yes Yes*, a timely work about consent for young people, as well as opportunities for school students and teachers to explore their creativity through inspiring workshops.

Commissions and Creative Partnerships

Thanks to donor support, we were thrilled to offer a unique opportunity for young Victorians to audition for *Carnival of the Animals*, from award-winning circus company CIRCA. On the Playhouse stage, 16 children were selected to tumble, spin and jump alongside world-class acrobats.

Philanthropic giving allowed us to commission and present diverse and genre-busting works including *Miss Peony*; *Overflow*; *The Dictionary of Lost Words*; and the stunning return of the Kulin Nations Songwomen for BLAKTIVISM.

Arts Wellbeing Collective

The industry-led Arts Wellbeing Collective continued to grow and broaden its impact across the sector, normalising conversations about mental health, thanks to philanthropic support this financial year. The Collective launched a pilot training program of five courses designed to promote psychological safety in the performing arts, successfully engaging more than 200 unique participants from 30 performing arts organisations.

Collections

For almost 50 years, Arts Centre Melbourne has been the proud custodian of the Australian Performing Arts Collection. Thanks to donors, we were able to grow the Collection, preserve and exhibit artifacts, welcome tour groups through the Collection Store and share diverse stories from Australia's performing arts history.

This year, our inaugural Barbara van Ernst Conservation Intern completed the expert conservation of an historic Dame Joan Sutherland costume, and we appointed a second intern. We also launched the Patricia Begg Research Internship as another pathway for emerging professionals to develop their career in the cultural sector.

Sadly this year, we farewelled Frank Van Straten AM, the first archivist and founding Director of our Collection. With the dedicated support of the Van Straten and Turley Foundation, our 2023 Frank Van Straten Fellowship concluded, and we awarded the 2024 Fellowship to a new recipient. We are honoured to continue Frank's enduring legacy.

Arts Centre Melbourne Foundation

The Arts Centre Melbourne Foundation provides practical support and active participation in identifying and cultivating prospective supporters and raising funds in order to realise the Trust's financial goals.

Our Foundation Members in FY2024

Paul Bonnici (Chair)

John Barlow

Alberto Calderon

Ian Carson AM

Andy Dinan[^]

Vas Katos

Wendy Kozica

Wilson Lai^{*}

Snowe Li[^]

Lily Ong^{*}

Kelly Smorgon[^]

Kee Wong[^]

* Appointment as a member of the Foundation during FY2024.

[^] Resigned as a member of the Foundation during FY2024.

Our philanthropic supporters

Philanthropy plays a critical role in extending the reach and impact of Arts Centre Melbourne's philanthropic pillars: Access, Education, Commissions & Creative Collaborations and the Australian Performing Arts Collection. We offer our heartfelt thanks to all our donors whose generosity, loyalty and commitment play a crucial role in supporting the performing arts.

LIFETIME BENEFACTORS

Those who have made landmark gifts to Arts Centre Melbourne.

The late Miss Betty Amsden AO DSJ
Mr John Barlow & Mrs Mary Barlow
The Clemenger Foundation
Mr Carrillo Gantner AC & Mrs Ziyin Gantner
The late Mrs Neilma Gantner
Mrs Diana Gibson AO
The Ian Potter Foundation
Mrs Jennifer Leaper OAM & Dr John Leaper OAM
Mr Richard Pratt & Mrs Jeanne Pratt AC
The Estate of the late Kenneth Baillieu Myer AC DSC
Sidney Myer Fund
The Smorgon Family
Ms Maureen Wheeler AO & Mr Tony Wheeler AO

MAJOR SUPPORTERS

Those who have given significant and sustained support to Arts Centre Melbourne.

Mrs Jeanne Pratt AC & the late Mr Richard Pratt
The late Miss Betty Amsden AO DSJ
Mr Kevin Bamford & Mrs Colleen Bamford
Mr John Barlow & Mrs Mary Barlow
Mr Neville Bertalli & Mrs Di Bertalli
Mr Marc Besen AC & the late Mrs Eva Besen AO
Mrs Krystyna Campbell-Pretty AM & the late Mr Harold Campbell-Pretty
Ms Robin Campbell & Mr Bobby Valentine
The Clemenger Foundation
The Fox Family
The Gandel Family
Mrs Ethel Goldin
Grollo Ruzzene Foundation
Mrs Barbara Haynes OAM
The Ian Potter Foundation

Mr Robert Kirby AO & Mrs Mem Kirby OAM
Mrs Jennifer Leaper OAM & Dr John Leaper OAM
Mrs Rosie Lew AM & Family
Mirlex Australia Pty Ltd
Mr Philip Munz AM & Mrs Sylvia Munz
The late Dame Elisabeth Murdoch AC DBE
Mr Andrew Myer AM & Ms Kerry Gardner AM
Mrs Sarah Myer & the late Mr Baillieu Myer AC
Mr Bruce Parncutt AO
Playking Foundation
Prescott Family Foundation
The late Mrs Rae Rothfield
Mr Peter Scanlon AO & Mrs Angie Scanlon
Sidney Myer Fund
Mr Graham Smorgon AM & Mrs Annette Smorgon
Mrs Minnie Smorgon & the late Mr Sam Smorgon AO
Mr Leon Velik & Mrs Sandra Velik

Vincent Fairfax Family Foundation

Ms Maureen Wheeler AO & Mr Tony Wheeler AO

Mrs Lyn Williams AM

LEADING LIGHT PATRON – GIFTS OF \$100,000 +

Betty Amsden Endowment
Mrs Krystyna Campbell-Pretty AM & the late Mr Harold Campbell-Pretty
Hansen Little Foundation
Harry & Virginia Boon Foundation
Mrs Jennifer Leaper OAM & Dr John Leaper OAM
Mr Bruce Parncutt AO
Playking Foundation
Prescott Family Foundation
Sidney Myer Fund
The Ian Potter Foundation
The Van Straten & Turley Foundation
Vincent Fairfax Family Foundation
Anonymous (1)

**LUMINARY PATRON –
GIFTS OF \$75,000 +**

Mr Neville Bertalli
& Mrs Di Bertalli

Mr Peter Clemenger AO

**VISIONARY PATRON –
GIFTS OF \$50,000 +**

Gandel Foundation

The Vizard Foundation

The Yulgilbar Foundation

Vulcan Steel Pty Ltd

**BENEFACTOR PATRON –
GIFTS OF \$30,000 +**

Mr Kevin Bamford &
Mrs Colleen Bamford

Robin Campbell AM
& Mr Bobby Valentine

Cassandra Gantner
Foundation

Johnstone Gumption
Foundation

Alexandra & Miranda
Hogg

Mr Andrew Myer AM &
Ms Kerry Gardner AM

Mr Mark Robertson OAM
& Mrs Anne Robertson

Mr Nigel Tait

Mr Charles Tegner

The MARD Foundation

**PRINCIPAL PATRON –
GIFTS OF \$10,000 +**

Mr Don Argus AC
& Mrs Pat Argus

Mr I R Barbour

Mr John Barlow

Mr John Bates
& Lorraine Bates

Mr Christopher Begg
& the late Mrs Patricia
Begg OAM

Mrs Sally Bell

Danielle Besen

Mrs Kaye Birks

Mr Barry Bloom &
Mrs Lorraine Bloom

Bokhara Foundation
Pty Ltd

Mr Paul Bonnici &
Mrs Wendy Bonnici

Ms Ann Bryce &
Mr Aaron Kanat

Mrs Nancy Butler

Dr Alberto Calderon
& Ingrid Van Dijken

Mr Terry Campbell AO &
Mrs Christine Campbell

Mr Bernard Carp
& Mrs Helen Carp

Dr Leon Carp &
Mrs Marlen Carp

Mr Ian Carson AM &
Mrs Simone Carson AM

Ms Andy Dinan &
Mr Mario Lo Giudice

Mr Ron Dobell &
Mrs Margaret Dobell

Mr Robert Fletcher

The Fox Family Foundation

Gailey Lazarus Charitable
Foundation

Mr Colin Golvan AM KC
& Dr Deborah Golvan

Mr Robert Grodski
& Mrs Pauline Grodski

Grollo Ruzzene Foundation

Mr John Haddad AO
& Mrs Agita Haddad

Mr David Hamilton &
Mrs Sharon Hamilton

Henkell Family Fund

Canny Quine Foundation

Mr John C Higgins AO
& Ms Jodie Maunder

Ms Joanna Horgan AM
& Mr Peter Wetenhall

Ian & Titania Henderson
Foundation

Dr Alastair Jackson AM

Mr Vas Katos &
Mrs Nicole Georgelos

Mr Robert Kirby AO
& Mrs Mem Kirby OAM

Ms Wendy Kozica

Wilson Lai & Anita Wong

Rosie Lew AM

Ms Snowe Li

Ms Pamela McCorkell

Mr Darren Mort
& Mrs Anne Mort

Mr Philip Munz AM
& Mrs Sylvia Munz

Mr Rupert Myer AO
& Mrs Annabel Myer

Mrs Genevieve Nunan
& Mr Tony Nunan

Lily Ong & Edmond Woo

Dr Jenny Proimos &
Mr Nicholas Glenning

Mrs Sally Redlich

Rose Anne Amarant
Charitable Trust

Dr Elliot Rubinstein
& Dr Sandra Rubinstein

Mr Peter Scanlon AO
& Mrs Angie Scanlon

Mr Graham Smorgon AM
& Mrs Annette Smorgon

The Besen Family
Foundation

The John & Jennifer
Brukner Foundation

The Marian & E.H. Flack
Trust

Dr Michael Troy

Professor Barbara
van Ernst AM

Mrs Sandra Velik

Mr Ralph Ward-Ambler
AM & Mrs Barbara
Ward-Ambler

Ms Nina Wei

Ms Maureen Wheeler AO
& Mr Tony Wheeler AO

Ms Janet Whiting AM
& Mr Phillip Lukies

Peter & Susan Yates
Foundation

Mr Derek Young AM
& Mrs Caroline Young

**GOLD ASSOCIATE –
GIFTS OF \$5,000 +**

Ms Isla Baring OAM

Mr Robbie Barker

Treena Brown

Dr Andrew Buchanan

Mr Frank Cox

Mrs Sandra Forbes

Noela Henderson

Amy & Paul Jasper

Leigh Johns OAM

Ms Jane Kunstler

Ms Jacqui Lamont

Marmel Foundation

Mr Ian McKellar &
Mrs Margaret McKellar

Nijon Holdings Pty Ltd

Mr Greg Shalit &
Ms Miriam Faine

Mrs Caroline Shaw

Ms Helen Silver AO

Mrs Anita Simon

Anonymous (1)

**SILVER ASSOCIATE –
GIFTS OF \$2,000 +**

Mr Bernie Sweeney

Catherine Aird &
Mr Peter Aird

Dr Jennifer Bates

Bowness Family
Foundation

Dr Robert Campbell

Chris Donaldson

Mrs Isabella Edgoose OAM

Mrs Noelle Fechner

Ms Diane Fisher

& Mr Stephen Fisher	Mr Peter Wharton & Ms Anne Wharton	Mr Callum Fogarty	Ms Ann Marsh
Mrs Rosemary Geer	Mr Igor Zambelli	Belinda Fox	Ms Andrea McCall
Ms Gabrielle Gibson	Mr Richard Zimmermann	Mrs Diana Gerstman	Ms Gail McKay
Gras Foundation	Anonymous (5)	Professor Mary-Jane Gething AO	Mr Alan Meads
Mr Peter Griffin AM & Ms Terry Swann	BRONZE ASSOCIATE – GIFTS OF \$500 +	Mrs Vivienne Goldberg	Francisco Melendez
Mr John Harrison CBE AM & Mrs Susan Harrison	Peter Allan	Mr Garion Hall	Mrs Judith Middemass
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Jane Lowther	Mrs Anne Bowden	Joanna Hughes	Mr Martyn Myer AO & Mrs Louise Myer
Rosina Lumicisi	Ms Joan Bray	Ms Shyama Jayaswal	Mr Jack Neufeld
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	Ms Diana Evans		

Ms Viorica Samson
 Cheryl Saunders AO
 Mrs Rae Saxton
 Jan Simon
 Lady Southey AC
 Philippa Statkus
 Miss Kate Stewart
 Mr Peter Szabo &
 Mrs Leonie Szabo
 Mr Patrick Szetho
 Mrs Judith Theobald
 Mr Allan Thorne
 NS & JS Turnbull
 Ms Jennifer Vaughan
 Mrs Sonia Venema
 Mr Neil Vinson
 Mr Allan Von Richter
 Leigh Walker
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**Giving young Victorians
 from disadvantaged
 communities the
 opportunity to experience
 the performing arts at Arts
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 of the First Call Fund
 Mr Christopher Begg
 & the late Mrs Patricia
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 The late Mr Martin
 Carlson OAM
 Mr Carrillo Gantner AC
 & Mrs Ziyin Gantner
 The late Mrs Neilma
 Gantner

The late Dr Milan Kantor
 OAM & the late Mrs Anne
 Kantor AO
 The Myer Foundation

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**The Amsden Ensemble
 is the community for
 individuals who have
 made the extraordinary
 commitment to leave a
 Gift in Will to Arts Centre
 Melbourne.**

Miss Jenny Anderson
 Mr John Bates &
 Mrs Lorraine Bates
 Mr Christopher Begg
 Mrs Judith Ben-Meir
 Mr Tony Berry
 Mrs Margaret Bland
 Ms Rene Brown
 Mrs Jenny Brukner OAM
 & the late Mr John Brukner
 Ms Lyndsey Burton
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 Marina Ward
 Mrs Dinanda Waterham
 Ms Judy Watt
 Mr Ian Watts OAM
 Mrs Dinah Whitaker
 Mr Ben McKenzie White
 Mrs Pamela Wilson
 Anonymous (8)

ESTATE GIFTS

The Estate of Elizabeth
 Alexandra
 The Estate of Miss
 Betty Amsden AO DSJ
 The Estate of Mrs
 Patricia Begg OAM
 The Estate of Kenneth
 Bullen
 The Estate of Maxwell
 & Merle Carroll
 The Estate of Suzette
 Marie Chapple
 The Estate of Ms
 Beverley Ruth Dunn
 The Estate of Peter
 Ronald Dwyer
 The Estate of Wilma
 Farrow
 The Estate of Joyce
 Isobel Grimshaw
 The Estate of Alexander
 Maxwell Johnston
 The Estate of Ms Nita
 Johns
 The Estate of Barry Kitcher
 Madame Ashton Memorial
 Scholarship
 The Estate of Barbara
 Margetts
 The Estate of Mrs Elgene
 Matthew
 The Estate of Mr Donald
 Matthews
 The Estate of Mr John
 Metherall Lee

The Estate of Mrs Gael
McRae

The Estate of Mr Kenneth
Baillieu Myer AC, DSC

The Estate of Mrs Yasuko
Myer

The Estate of Mrs Christine
Peirson

The Estate of Mary
Pierce-Williams

The Estate of Mr David
Richards

The Estate of Mr Maurice
Scott

The Estate of Miss Sheila
Scotter AM MBE

The Estate of Jan
Stevenson

The Estate of Joyce
Winsome Woodroffe

The Estate of Mr Owen
White

Anonymous (1)

COLLECTION DONORS

**We thank the following
generous donors who
contributed significant
cultural material to our
collections.**

Sandra Davies OAM
– Cloc Musical Theatre

Archie Roach Foundation

The late Frank Van Straten
AM

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– Zelman Symphony

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Stephanie Headley

The Australian Ballet

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Micheal Lynch

Bernard Russell

Deborah Cheetham
Fraillon AO – Short Black
Opera

Clare Moore

The late John Newhill

Dianne White

Murray Robertson

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June Gormley

John Frost AM

Helen Tripp

Hugh Colman

State Library of NSW

The Boite

Catherine O'Donnell

There are many ways you can support
Arts Centre Melbourne. To discuss
becoming part of our community
of supporters, please email
donations@artscentremelbourne.com.au

Thank you

Every gift, large or small, has a lasting
and important impact on the arts for
all Victorians.

The Victorian Arts Centre Trust

The Victorian Arts Centre Trust's core purpose is to enrich the lives of Victorians – culturally, educationally, socially and economically (*Victorian Arts Centre Act 1979, s.5(2)*).

Statutory functions

The Trust is a statutory authority subject to the general direction and control of the Minister for Creative Industries for the Victorian Government.

The functions of the Trust are described in section 5(1) of the *Victorian Arts Centre Act 1979* (as amended), which are:

- (a) to control, manage, operate, promote, develop and maintain the Centre; and
- (b) to present and produce theatrical performances, operas, plays, dramas, ballets and musical and other performances and entertainment of any kind at any place; and
- (c) to promote the use of the theatres, concert hall and other places of assembly by suitable persons and bodies; and
- (d) to provide leadership in the promotion and development of the performing arts; and
- (e) to ensure the maintenance, conservation, development and promotion of the State collection of performing arts material; and
- (f) to oversee the exhibition of performing arts material from the State collection and make any performing arts material from the State collection available on loan to persons or institutions; and
- (fa) to establish, maintain, conserve, develop, promote and exhibit the public art collection; and
- (fb) to make any object from the public art collection available for study or loan to persons or institutions, subject to any conditions that the Trust determines; and
- (g) to carry on, whether within or outside Victoria, whether alone or in association with any other person or persons and whether or not in relation to the Centre, a business of providing ticketing, inventory management of admissions, marketing and related services; and
- (h) to perform any other functions appropriate to the Centre as the Minister may approve; and
- (i) to carry out any other function conferred on the Trust under this Act.

In carrying out its functions, the Trust must endeavour to contribute to the enrichment of the cultural, educational, social and economic life of the people of Victoria.



Organisational context

The Victorian Arts Centre Trust is a statutory authority within the Creative Industries portfolio.

The Creative Industries portfolio is administered by Creative Victoria, a division of the Department of Jobs, Skills, Industry and Regions.

The members of the Victorian Arts Centre Trust are appointed by the Governor in Council on recommendation of the Minister for Creative Industries.

Trust and committee meeting attendance

Figures below indicate the number of meetings attended / the total possible attendances for each Trustee	Ian Carson AM President	Kerry Arabena ¹	Paul Barker ² Risk Management and Audit Committee Chair	Paul Bonnici ³	Caroline Bowditch ⁴	Greta Bradman People Committee Chair ⁵	Leigh Johns OAM Philanthropy Committee Chair Risk Management and Audit Committee Chair ⁶	Helen Silver AO ⁷ People Committee Chair ⁸
The Victorian Arts Centre Trust (the Trust)	6/6	1/2	4/5	3/5	1/3	5/6	5/6	5/5

The Trust met six times in FY2024.⁹

Risk Management and Audit Committee	5/5	-	3/3	-	-	4/5	5/5	-
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Consistent with the requirements of the Standing Directions of the *Financial Management Act 1994*, this Committee provides advice to the Trust on matters relating to financial management, security and emergency management, risk management and all aspects of internal and external audit and compliance matters. This Committee must exercise independent judgement and be objective in its deliberations, decisions and advice. All members are independent as defined by Standing Direction 3.2.1 of the *Financial Management Act 1994*.

This Committee met five times in FY2024.

People Committee	2/3	-	-	-	-	3/3	-	3/3
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This Committee provides advice to the Trust on Executive remuneration, Executive performance and general remuneration policy matters.

This Committee met three times in FY2024.

Philanthropy Committee	4/4	-	-	3/3	-	-	3/3	-
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The Philanthropy Committee is responsible for overseeing the overall philanthropy strategy, including the Imagine Anew capital campaign, guiding and monitoring progress in instilling a culture of philanthropy at Arts Centre Melbourne, driving the focus of the Arts Centre Melbourne Foundation and evaluating the success of fundraising activity.

This Committee met four times in FY2024.

Non-Trustee Philanthropy Committee Members:

Paul Bonnici – Foundation Chair³

1. Resigned from the Trust 17 October 2023. Term concluded 19 March 2024 on Governor in Council's approval of resignation.
2. Term as Trustee ended on 25 July 2023, pending reappointment. Reappointment commenced on 29 August 2023. Paul Barker attended meetings of the Trust and Risk Management and Audit Committee as an observer from 26 July 2023 to 29 August 2023.
3. Appointed to the Trust effective 29 August 2023. Prior to this appointment, Paul Bonnici attended the Philanthropy Committee as a Non-Trustee member in his role as Arts Centre Melbourne Foundation Chair.
4. Appointed to the Trust effective 28 November 2023.
5. Commenced as Chair of People Committee from 30 March 2024.
6. Served as interim Chair of Risk Management and Audit Committee from 26 July 2023 to 28 August 2023 pursuant to note 2.
7. Term as Trustee ended on 29 March 2024.
8. To 29 March 2024.
9. Includes one ad hoc meeting.

Trustees

Ian Carson AM (President)

First appointed 16 April 2019.
Current term expires 15 April 2025.

Ian Carson AM is Executive Chair of Tanarra Restructuring Partners (TRP). TRP rescues companies affected by external events and seeks to save jobs, while investing 10% of profits in social entrepreneurs.

Ian and his wife, Simone, founded SecondBite in 2005. Previously, Ian was Chairman PPB and Chairman of Markets at PWC, Founder of Carson McLellan; a consulting firm that merged with PWC. Ian and Simone were named Melburnians of the Year (2018) and were awarded the Order of Australia (2017). Ian also holds other board positions, including being a member of the Melbourne Cricket Ground Trust.

Paul Barker

First appointed 26 April 2017.
Current term expires 25 April 2026.

Paul Barker is a financial services professional with extensive experience at both board and executive level in Australia and overseas.

He is the former Chairman of WorkSafe Victoria, the Transport Accident Commission, the Emergency Services Telecommunication Authority, VicForests, Mirvac Funds Management Ltd, Stadium Operations Ltd (Marvel Stadium), Cricket Victoria, the Melbourne Stars, the Melbourne Renegades and Federation Square Pty Ltd.

He is currently a member of the Suburban Rail Loop Authority and the Melbourne Arts Precinct Corporation Board. He is also a Director of the Bradman Foundation.

Paul Bonnici

First appointed 29 August 2023.
Current term expires 28 August 2026.

An experienced director and advisor, Paul has over 20 years in marketing and leadership. He has held executive roles as Marketing and Creative Director for Myer and International Brand Manager for Country Road Australia. Additionally, he founded a boutique marketing and creative consultancy for eight years.

Committed to the arts, Paul served on the Foundation Boards of the National Gallery of Victoria and Melbourne Theatre Company. Formerly, he chaired the Myer Stores Community Fund, Melbourne Spring Fashion Week, and RMIT School of Fashion & Textiles, and served 11 years on the Board of the Olivia Newton-John Cancer and Wellness Centre.

Caroline Bowditch

First appointed 28 November 2023. Current term expires 31 October 2026.

After 16 years living and working in the UK, Caroline returned to Australia in July 2018 to take up the role as CEO at Arts Access Victoria (AAV). She is best known as a performer, maker, teacher, and speaker in the arts industry around the world.

Caroline is a regular consultant on access and inclusion internationally, and has also led international residencies in Sweden, Italy, Switzerland and Germany. She is regularly invited to mentor local, national, and international artists at all levels of their artistic development. With the support of the Australia Council for the Arts, Caroline took part in the prestigious CEO Leadership course at Harvard Business School in 2019-20. Under Caroline's leadership, AAV has developed key partnerships with major arts and cultural organisations, strengthened its financial position and been transformed into a disability-led organisation at every level of operation.

Greta Bradman

First appointed 16 August 2019. Current term expires 15 August 2025.

Greta Bradman is a registered psychologist, founder, writer, ABC broadcaster, and recording and performing artist. As a practising psychologist Greta specialises in anxiety disorders as well as high performance and values coaching in the arts, sport, and business.

Greta presents Weekend Brunch and Mindful Music on ABC Classic. Prior to stepping back from singing in 2019, Greta was ARIA-nominated and released four No.1 solo albums – two with Sony Music and two with Universal Music (Decca) – as well as contributing to various other albums. Greta is also a Director of the Bradman Foundation and Opera Australia.

Alongside music qualifications, Greta holds an MBA from Melbourne Business School alongside a Master of Psychology (Clinical). She is also a Graduate of the Australian Institute of Company Directors.

Leigh Johns OAM

First appointed 16 August 2019. Current term expires 15 August 2025.

Leigh is a Fair Work Commissioner, and holds a Bachelor of Economics, Bachelor of Laws and Master of Laws.

Leigh has previously held senior roles in government and private legal practice as Chief Counsel of the Fair Work Ombudsman and CEO of two independent Australian Government statutory agencies. Leigh was Director of The Australian Ballet School for 17 years and Chairman for eight years. Formerly, he was Board Member and President of Midsumma Festival, and Deputy Chair of the Victorian College of the Arts.

Leigh was awarded the Order of Australia (2017) for services to performing arts and primary healthcare organisations.

Outgoing trustees

Professor Kerry Arabena

First appointed 28 September 2021. Resigned 17 October 2023. Term concluded 19 March 2024 on Governor in Council's approval of resignation.

A descendant of the Meriam people from the Torres Strait, Kerry is at the forefront of Indigenous affairs in Australia.

A former social worker with a Doctorate in Environmental Science, Kerry has held several senior positions in Indigenous public health and research across Australia. Internationally, Kerry has held senior positions with Ecohealth International, consulted for the World Health Organisation, and been a former Scientific Commissioner on the Lancet Pathfinder project and a Fellowship recipient with the Rockefeller Foundation.

Currently a Director of IgNITE, Kerry holds an honorary professorial position with the University of Melbourne while managing her entrepreneurial projects and consulting companies.

Helen Silver AO

First appointed 11 August 2015. Retired 29 March 2024 at the conclusion of her term.

Helen is an experienced senior executive, board member, and gender equality advocate, holding a Bachelor of Economics (Hons) and a Master of Economics.

Currently Director of the PEXA Group Limited, Helen was formerly Deputy Managing Director at Allianz. Helen has spent more than 30 years in executive roles in the Victorian and Commonwealth public sectors, serving as Head of the Victorian Public Service and Secretary to the Department of Premier and Cabinet.

With an interest in public policy and the arts, Helen was awarded the Order of Australia (2015) for distinguished service to public administration, business and the Victorian community.

Executive team

Karen Quinlan AM

Chief Executive Officer

A highly recognised and globally revered leader, Karen Quinlan AM commenced as CEO in October 2022.

Karen is recognised for her transformative role as Director of Bendigo Art Gallery from 2000-18 driving exponential cultural tourism and the visitor economy in central Victoria. Karen is an Adjunct Associate Professor, La Trobe University and served as the inaugural Director of the La Trobe Arts Institute during its establishment and foundation years. With a reputation for innovation and fresh thinking, Karen is attuned to the reinvention and transformation of institutions and spent four years leading the National Portrait Gallery through a period of change, extending its reach and profile nationally and internationally.

In 2019 Karen was awarded an Order of Australia for her service to the arts and education.

Tammy Willenberg

Deputy Chief Executive Officer

Tammy joined Arts Centre Melbourne in September 2023 from the Port of Melbourne, where she worked in several leadership positions over numerous years including Strategic Program Manager and Port Rail Program Manager – where she was leading major infrastructure transformation projects and acquisitions.

Prior to her roles at Port of Melbourne, she held financial leadership positions at Wesfarmers group entities, Target and Coles, where she was accountable for planning and delivery of financial strategy, business change and transformation projects. She also worked at Airservices Australia, leading financial management of its commercial division and designing and executing business improvement and major change projects.

Tammy holds a Master of Business Administration from Macquarie University, is admitted to Chartered Accountants Australia and New Zealand (CAANZ) and is a member of the Australian Institute of Company Directors (AICD).

Melanie Smith

Executive Director, Performing Arts

An acclaimed programmer and creative leader of the Performing Arts teams, Melanie is also Executive Councillor on the Live Performance Australia Executive Council, the national peak body formed to ensure the long-term sustainability of the Australian live performance industry. Formerly, Melanie was Deputy Director and Head of Programming for Auckland Live, New Zealand's largest performing arts centre.

Melanie develops the Performing Arts Strategy and Business Plan, while supporting industry partnerships, developing audiences, offering creative learning experiences for students and families and inspiring community participation.

Troy Walsh

Executive Director, First Nations and Equity & Inclusion

Troy Walsh is a proud Panninher/Palawa man from Tasmania. Born on Gunaikurnai Lands and raised in regional Victoria and Melbourne, he holds postgraduate qualifications in business, management, and technology.

Highly experienced in senior management, business IT and network engineering from 29 years at Telstra, Troy also advised the company on Indigenous recruitment, career progression and retention, and other affairs. Additionally, Troy was appointed Chief of Staff and Executive Director at VACCHO (Victorian Aboriginal Community Controlled Health Organisation), where he was a member of multiple forums, implemented governance strategies, and contributed to reforming several policy initiatives that protect First Peoples.

Richard Zimmermann

Executive Director, Philanthropy

Richard leads the Philanthropy team and is responsible for growing philanthropic support for Arts Centre Melbourne through the generosity of donors.

With a strong background in film, music and the performing arts, Richard co-founded Management Enterprises Limited, an entrepreneurial arts marketing company in New Zealand. He pioneered charity rock concert, "Rain Aid", with all proceeds going to relief for flood victims. Richard has continued to lead successful philanthropy programs at The Australian Film Institute, The Australian Ballet School, Jewish Care, the Australian Centre for the Moving Image, Bush Heritage Australia and the Royal Children's Hospital Foundation.



Five-time Grammy Award winner Angélique Kidjo celebrates her 40-year career in concert at Hamer Hall. Photo: Michael Pham.

Financial overview

The five-year summary of results is presented on page 56. To improve transparency this summary differentiates between Arts Centre Melbourne's operating and non-operating activities, which are not readily distinguishable in the comprehensive operating statement on page 64.

This distinction is important as, under accounting standards, the comprehensive operating statement includes several income and expenditure streams which are either not available for operating purposes or are subject to differences in timing.

Non-operating items include:

- Philanthropic bequests and endowments
- Donations of items to the Australian Performing Arts Collection
- Timing differences in relation to fundraising activities
- Funding that is used for capital purposes
- Expenses that are supported by capital funding which cannot be capitalised as assets

Operating activities

ACM's post-pandemic recovery journey continued in FY2024 with robust demand from presenters and an increase in average audience sizes compared to FY2023, although opportunities for growth were limited by the impacts of Reimagining Arts Centre Melbourne on venue availability.

After adjusting for the impacts of Reimagining Arts Centre Melbourne, total attendances at indoor venues were notably higher in FY2024 than in FY2023, driven by an increase in the number of events held as well as an increase in the average audience size of 9%.

However, full recovery will take time, particularly in the context of the current cost of living challenges, and average audience size in all indoor venues continued to lag below pre-pandemic levels in FY2024, on average by 7%.

In contrast, the Sidney Myer Music Bowl once again benefited from both strong demand from presenters and an enthusiastic response from audiences, with average audience sizes 32% higher than pre-pandemic levels.

As the Reimagining Arts Centre Melbourne project gathered pace the disruption to programming

and other activity ramped up. For the first three quarters of FY2024, the State Theatre was closed intermittently to allow for preparatory works and was unavailable for performances almost half of that period. The final performances in the State Theatre were held in March, before it fully closed for refurbishment in April – due to reopen in late 2026. The Playhouse and Fairfax theatres were also closed for a period of six weeks in May and June to enable construction work to be completed at pace, without impacting on performances. The net financial impact of the Reimagining works is mitigated by the provision of specific business disruption funding but drives a reduction in both trading revenues and expenses. These impacts will increase in the next two financial years due to the full year impact of the State Theatre closure and associated impacts on other service offerings.

Recurrent funding from the Victorian Government was \$19.5 million in FY2024 (FY2023 \$20.6 million). Total non-recurrent funding was \$23.1 million in FY2024 (FY2023 \$26.9 million). This consisted of:

- \$12.4 million relating to operating costs of the Reimagining Arts Centre Melbourne redevelopment project, and funding to support the associated disruption to venues and trading activities.
- \$9.6 million of solvency funding support.
- \$0.8 million for the Asia TOPA festival.
- \$0.2 million for the Tech Connect Regional program, and
- \$0.1m for other activities.

As a State Government entity, Arts Centre Melbourne received solvency support to support ongoing activity and service levels, in line with the conditions attached to that funding and to ensure the organisation's ability to trade as a going concern.

Trading revenues of \$56.1 million (FY2023: \$64.2 million) were significantly affected by the closure of the State Theatre, albeit the impact was offset by savings in performance-generated expenses and disruption funding for the net impact.

Employee expenses in the year totalled \$58.5 million (FY2023: \$61.3 million), reflecting the reduction in event-related labour due to Reimagining Arts Centre Melbourne disruption and the organisation carrying a significant number of vacancies throughout the year as a cost-control measure. Notwithstanding, ACM continued to experience the pressure of annual wage awards and progression increments equating to 18% since FY2019, which contributed \$9.1 million of FY2024 employee expenses.

Performance-generated expenses of \$11.7 million (FY2023: \$16.4 million) also decreased due the reduction in activity flowing from Reimagining Arts Centre Melbourne disruption.

Other Operating Expenses include commercial operating costs for areas such as the Food & Beverage business, as well as organisational enablement and support. While there was an activity-driven reduction in certain expense categories, additional costs were incurred in respect of the removal of asbestos from Hamer Hall (fully funded by a grant from the Victorian Asbestos Eradication Authority) and interest expense increased in line with interest rates.

Throughout FY2024, expenditure was managed in adherence to the strict conditions for funding support, with a focus on delivering core activities, mitigating business interruption risk and driving revenue growth. Non-operating activities

Net income from non-operating activities falls predominantly into two categories – philanthropic funds flow and revenue for capital purposes.

Philanthropic funds flow represents the timing difference between funds being raised and delivery of the activity for which those funds are designated.

Fundraising has remained strong with the ongoing support of donors for social, cultural and educational programs, and generous gifts of over \$4.7 million for the Reimagining Arts Centre Melbourne capital project. Additionally, investment income continued to increase following a period of volatility through the pandemic. \$3.8 million of philanthropic revenues were distributed to support programs (FY2023: \$3.8 million), whilst the capital gifts noted above were transferred the other primary category, 'revenue for capital purpose'. This category relates to income that is either capital in nature, such as non-cash donations to collections, or income used to support Arts Centre Melbourne's capital investment.

Total revenues for capital purpose consisted of:

\$4.7 million donations to Reimagining Arts Centre Melbourne.

- \$2.2 million operating revenues transferred to support capital expenditure – the majority of this relates to the lease of alternative office accommodation during the Reimagining capital project.
- \$0.1 million donations for the Australian Performing Arts Collection, and
- \$2.6 million relating to endowments, non-cash donations to the Australian Performing Arts Collection, and investment income on Arts Centre Melbourne's bank deposits.

The Reimagining Arts Centre Melbourne project saw demolition works continue in FY2024, to make way for the construction of new infrastructure for Arts Centre Melbourne and the Melbourne Arts Precinct. These works are funded by a contribution to equity by the Victorian Government, however, the cost of demolition undertaken in FY2024 is required to be expensed under current accounting standards. Therefore, \$14.6 million (FY2023: \$9.6 million) of demolition costs are recognised in non-operating activities with the associated funding being recognised in the balance sheet.

Net result

The net operating result was a deficit of \$2.2 million (FY2023: surplus \$1.0 million). Solvency funding support is provided on a cashflow basis, and this deficit simply reflects the requirement for Arts Centre Melbourne to exhaust all unrestricted cash balances prior to receiving solvency funding. Non-operating activities delivered a deficit of \$5.2 million resulting from the demolition costs which were required to be expensed.

Depreciation and amortisation of \$21.4 million results in a net deficit from transactions of \$28.9 million.

Other fluctuations in the valuation of investment assets and long-service leave liabilities, and a managerial revaluation of the value of land and buildings, also contributed to 'other economic flows', reducing the comprehensive result to a deficit of \$21.9 million.

Balance sheet

Net assets of the Trust amount to \$717.6 million (FY2023: \$658.8 million), of which \$767.1 million relates to property, plant and equipment. In addition to depreciation outlined above, there were \$91.2 million of net additions, almost entirely relating to the Reimagining Arts Centre Melbourne major capital project.

Financial assets increased by 7% to \$61.8 million (FY2023: \$57.6 million). This was principally driven by an increase in the value of investments held and box office funds held on behalf of external presenters for future events.

Other non-financial assets decreased by \$8.0 million, as the FY2023 balance of \$11.2 million included \$8.7 million of funds prepaid to Development Victoria for the Reimagining Arts Centre Melbourne project.

Total liabilities increased by 38% to \$49.5 million (FY2023 \$36.0 million), most notably driven by a liability of \$7.3 million related to construction work for Reimagining Arts Centre Melbourne, which Arts Centre Melbourne will receive as a contribution to capital from DJSIR in FY2025. Other drivers were an increase in box office creditors (\$4.5 million) and in grant funding received in advance (\$3.2 million).

During the year, \$80.7 million of contributed capital was provided by the Victorian Government, almost exclusively relating to the Reimagining Arts Centre Melbourne project taking contributed capital to a total of \$700.6 million.

Summary of results 2020 – 2024

Financial performance	FY2024 \$m	FY2023 \$m	FY2022 \$m	FY2021 \$m	FY2020 \$m
OPERATING REVENUE					
Victorian Government grants – recurrent	19.5	20.6	20.9	20.9	20.9
Victorian Government grants – non-recurrent	1.1	11.2	4.0	7.2	2.1
Victorian Government grants – RACM disruption	12.4	8.2	-	-	-
Victorian Government grants – solvency support	9.6	7.6	26.5	36.1	8.5
Trading revenues	56.1	64.2	34.7	16.3	51.3
Distribution from Foundation funds	3.9	3.8	1.7	1.7	4.7
Operating revenue allocated for capital purposes	(2.2)	(1.8)	(0.7)	(0.4)	(1.2)
Revenue allocated to non-operating activities	3.2	(1.1)	(1.0)	-	-
Total operating revenue	103.5	112.6	86.2	81.9	86.4
OPERATING EXPENSES					
Employee expenses	(58.5)	(61.3)	(50.7)	(46.0)	(51.9)
Performance generated expenses	(11.7)	(16.4)	(10.9)	(11.7)	(11.6)
Other operating expenses	(19.6)	(20.7)	(14.2)	(10.0)	(14.9)
Facilities expenses	(16.1)	(13.3)	(10.9)	(10.2)	(11.9)
Total operating expenses	(105.8)	(111.6)	(86.6)	(78.0)	(90.3)
Net income from operating activities	(2.3)	1.0	(0.4)	3.9	(3.9)
REVENUE FOR CAPITAL PURPOSES					
Investment income	1.4	1.2	0.1	0.1	0.3
Bequests and endowments	0.1	0.6	0.1	0.0	0.1
Donations to the Australian Performing Arts Collection	0.8	0.2	0.2	0.0	0.1
Operating revenue allocated for capital purposes	2.2	1.8	0.7	0.4	1.2
Philanthropic funding for capital purposes	5.3	1.8	1.2	0.1	-
Revenue for capital purposes	9.8	5.6	2.2	0.7	1.7
PHILANTHROPIC FUNDS FLOW					
Philanthropy	3.7	3.8	3.7	3.4	3.3
Other grants (federal, international, local)	7.1	0.2	0.4	0.5	0.6
Foundation investment income	1.0	1.3	1.0	0.7	0.9
Distribution to operating activities	(3.9)	(3.8)	(1.7)	(1.7)	(4.7)
Distribution to capital funding	(5.3)	(1.8)	(1.2)	(0.1)	-
Philanthropic funds flow	2.7	(0.3)	2.2	2.7	0.0
Other non-operating	(3.2)	1.1	1.0	-	-
RACM Demolition Costs	(14.6)	(9.6)	-	-	-
Net income from non-operating activities	(5.2)	(3.3)	5.4	3.4	1.7
Net result from transactions before depreciation	(7.5)	(2.3)	5.0	7.3	(2.2)
Depreciation and amortisation	(21.4)	(18.9)	(17.7)	(12.0)	(11.8)
Net result from transactions	(28.9)	(21.1)	(12.7)	(4.8)	(14.0)
Other economic flows included in net result	1.3	(1.7)	(2.3)	2.0	(0.8)
Net result	(27.6)	(22.9)	(15.0)	(2.8)	(14.7)
Other economic flows – other comprehensive income	5.7	-	-	(21.1)	59.8
Comprehensive result	(21.9)	(22.9)	(15.0)	(23.9)	45.0

Summary of activity 2020 – 2024

	Notes	FY2024	FY2023	FY2022	FY2021	FY2020
PATRONAGE PROFILE		'000s	'000s	'000s	'000s	'000s
Attendances at performances	1	1,088	1,296	705	302	989
Attendances at public programs	2	34	140	1	1	21
Attendances at exhibitions		226	257	86	4	506
Other visitors and facility users	3	1,026	1,217	628	206	782
Total Arts Centre Melbourne attendances		2,375	2,910	1,420	513	2,298
Asia TOPA consortium/partner attendances	4	-	-	-	-	804
Total visitations		2,375	2,910	1,420	513	3,102

EVENTS PROFILE		#	#	#	#	#
Performance events	5	1,210	1,303	953	436	1,152
Public Program events		560	397	34	68	192
Exhibitions and displays		1	1	1	1	6
Total Arts Centre Melbourne events		1,771	1,701	988	505	1,350
Asia TOPA consortium/partner events		2	-	-	-	175
Total events		1,773	1,701	988	505	1,525

VENUE UTILISATION		%	%	%	%	%
State Theatre		33%	80%	50%	8%	62%
Playhouse		84%	73%	48%	28%	59%
Fairfax Studio		77%	72%	38%	21%	65%
Hamer Hall		78%	78%	37%	28%	59%
Indoor main stage venues		68%	76%	43%	21%	61%
Sidney Myer Music Bowl		14%	21%	33%	28%	11%
Main stage venues		57%	65%	41%	23%	51%
The Famous Spiegel tent	6	0%	62%	48%	71%	32%

Notes:

- Attendances at performances includes education and community engagement related performances.
- Attendance at public programs excludes online attendances
- Other visitors and facility users include visitors to food and beverage outlets, Sunday market, the Hamer Hall visitor hub and car park.
- Asia TOPA consortium and partner events and attendances relate to events held at our partner organisations.
- Performance events include education and other community engagement related performances.
- The Famous Spiegel tent utilisation relates to the period when Spiegel tent is on Arts Centre Melbourne's premises.

	FY2024	FY2023	FY2022	FY2021	FY2020	
ONLINE ATTENDANCES		'000s	'000s	'000s	'000s	'000s
Attendances at online performances	-	-	-	-	-	
Attendances at online public programs	3	2	1	255	504	
Attendances at online exhibitions	-	-	-	-	-	
Online attendances	3	2	1	255	504	

ONLINE EVENTS		#	#	#	#	#
Performance events		-	-	-	-	-
Public program events		12	17	13	449	72
Exhibitions and displays		-	-	-	-	-
Online Events		12	17	13	449	72

WEBSITE VISITATION		'000s	'000s	'000s	'000s	'000s
Website visitation		4,943	5,153	3,059	1,604	3,463

Victorian Arts Centre Trust

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For the financial year ended 30 June 2024

How this report is structured

The Victorian Arts Centre Trust (also referred to as Arts Centre Melbourne or the Trust) has presented its audited general purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with the information about the Victorian Arts Centre Trust's stewardship of resources entrusted to it.

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Victorian Arts Centre Trust

For the financial year ended 30 June 2024

Accountable Officer's and Chief Financial Officer's declaration

We certify that the attached financial statements for the Victorian Arts Centre Trust have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, the *Australian Charities and Not-for-profit Commission Act 2012* and the *Australian Charities and Not-for-profit Commission Regulations 2022*, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations and other mandatory professional reporting requirements. We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes presents fairly the financial transactions during the year ended 30 June 2024 and the financial position of the Trust as at 30 June 2024. At the time of signing, 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 10 September 2024.



Karen Quinlan AM
Chief Executive Officer



Paul Barker
Trustee



Tammy Willenberg
Deputy CEO

Victorian Arts Centre Trust

For the financial year ended 30 June 2024

OFFICIAL



Auditor-General's Independence Declaration

To the Trustees, the Victorian Arts Centre Trust

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 Victorian Arts Centre Trust for the year ended 30 June 2024, 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
10 September 2024

A handwritten signature in black ink, appearing to read "S Bohan".

Simone Bohan
as delegate for the Auditor-General of Victoria

OFFICIAL

Independent Auditor's Report

To the Trustees of the Victorian Arts Centre Trust

Opinion I have audited the financial report of the Victorian Arts Centre Trust (the trust) which comprises the:

- balance sheet as at 30 June 2024
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including material accounting policy information
- accountable officer's and chief financial officer's declaration.

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

- presenting fairly, in all material respects, the financial position of the trust as at 30 June 2024 and of its financial performance and its cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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

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

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

Trustees' responsibilities for the financial report The Trustees of the trust are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Victorian Arts Centre Trust

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

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

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

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

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

I also provide the Trustees 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
10 September 2024



Simone Bohan
as delegate for the Auditor-General of Victoria

Victorian Arts Centre Trust

Comprehensive operating statement For the financial year ended 30 June 2024

CONTINUING OPERATIONS	Notes	2024 \$'000s	2023 \$'000s
REVENUE AND INCOME FROM TRANSACTIONS			
Sales of goods and services	2.2.1	52,724	60,768
Income from fundraising activities	2.2.2	4,939	5,496
Grants	2.2.3	49,710	47,770
Income from financial assets	2.2.4	2,432	2,504
Fair value of assets and services received free of charge or for nominal consideration		1,049	406
Other income		2,054	1,996
Total revenue and income from transactions		112,908	118,941
EXPENSES FROM TRANSACTIONS			
Employee benefit expenses	3.2	(58,453)	(61,250)
Performance generated expenses	3.3	(11,664)	(16,406)
Other commercial expenses	3.4	(7,418)	(8,169)
Facilities expenses	3.5	(16,110)	(13,277)
Other operating expenses	3.6	(12,132)	(12,545)
Demolition and disposal expenses	3.7	(14,605)	(9,608)
Depreciation and amortisation	4.1.1	(21,444)	(18,851)
Total expenses from transactions		(141,825)	(140,087)
Net deficit from transactions		(28,917)	(21,145)
OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT			
Net gain/(loss) on non-financial assets ^(a)	8.1	(9)	(2,503)
Net gain/(loss) on financial assets ^(b)	8.1	1,313	569
Other gains/(losses) from other economic flows	8.1	(32)	202
Total other economic flows included in net result		1,273	(1,732)
Net Result		(27,644)	(22,878)
OTHER ECONOMIC FLOWS – OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	8.2	5,734	-
Total other economic flows – other comprehensive income		5,734	-
Comprehensive result		(21,910)	(22,878)

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

Notes:

- (a) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.
- (b) 'Net gain/(loss) on financial assets' includes bad and doubtful debts from other economic flows, unrealised and realised gains/(losses) from revaluations, impairments and reversals of impairment, and gains/(losses) from disposals of financial assets.

Victorian Arts Centre Trust

Balance sheet As of 30 June 2024

ASSETS	Notes	2024 \$'000s	2023 \$'000s
Financial assets			
Cash and cash equivalents	6.2	40,321	39,089
Receivables	5.1.1	3,503	1,649
Contract assets	5.1.2	411	806
Investments and other financial assets	4.2	17,609	16,013
Total financial assets		61,844	57,557
Non-financial assets			
Inventories		647	822
Property, plant and equipment	4.1	701,515	625,233
Intangible assets		7	13
Other non-financial assets	5.3	3,100	11,185
Total non-financial assets		705,268	637,253
Total assets		767,112	694,810
LIABILITIES			
Payables	5.2.1	14,547	7,997
Contract liabilities	5.2.2	23,832	16,018
Provisions	3.2.2	9,652	9,672
Lease liabilities	6.1	1,503	2,317
Total liabilities		49,535	36,003
Net assets		717,578	658,807
EQUITY			
Contributed capital		700,557	619,876
Donation and endowment reserve	8.2.1	23,187	24,104
Asset revaluation surplus	8.2.2	341,085	335,351
Accumulated deficit		(347,252)	(320,524)
Total equity		717,578	658,807

The balance sheet should be read in conjunction with the notes to the financial statements.

Victorian Arts Centre Trust

Statement of changes in equity For the financial year ended 30 June 2024

	Notes	Contributed capital \$'000s	Donation and endowment reserve \$'000s	Physical asset revaluation surplus \$'000s	Accumulated deficit \$'000s	Total \$'000s
Balance at 1 July 2022	8.2	589,531	22,019	335,351	(295,562)	651,341
Net result for the year		-	-	-	(22,878)	(22,878)
Fair value adjustment to financial assets attributed to donation & endowment reserve	(iii)	-	569	-	(569)	-
Bequests and endowment funds received	(i)	-	554	-	(554)	-
Net donations and investment income received	(i)	-	3,518	-	(3,518)	-
Donations and endowment distributions	(i)	-	(4,382)	-	4,382	-
Donations for capital purpose	(i)	-	1,826	-	(1,826)	-
Capital appropriations	(ii)	30,344	-	-	-	30,344
Balance at 30 June 2023	8.2	619,876	24,104	335,351	(320,524)	658,807
Net result for the year		-	-	-	(27,644)	(27,644)
Fair value adjustment to financial assets attributed to donation & endowment reserve	(iii)	-	1,235	-	(1,235)	-
Other comprehensive income for the year	8.2	-	-	5,734	-	5,734
Bequests and endowment funds received	(i)	-	89	-	(89)	-
Net donations and investment income received	(i)	-	3,397	-	(3,397)	-
Donations and endowment distributions	(i)	-	(10,901)	-	10,901	-
Donations for capital purpose	(i)	-	5,263	-	(5,263)	-
Capital appropriations	(ii)	80,682	-	-	-	80,682
Balance at 30 June 2024	8.2	700,557	23,187	341,085	(347,252)	717,578

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

- (i) During the year, \$2.1m was transferred from the donation and endowment reserve to the accumulated deficit. In FY2023 \$1.5m was transferred from the accumulated deficit to the donation and endowment reserve. This represents the net movement between philanthropic income and income generated from endowed funds, as well as the amounts contributed during the financial year to the Trust's core purpose activity and paid to the Melbourne Arts Precinct Corporation for Reimagining Arts Centre Melbourne.
- (ii) Creative Victoria provided capital funding of \$0.4m (FY2023 \$0.5m) in relation to the Cultural Facilities Maintenance fund, \$79.8m (FY2023: \$29.3m) for Reimagining, \$0.5m for the Australian Museum of Performing Arts and \$Nil (FY2023: \$0.5m) for minor maintenance. These transfers are designated as a contribution from the owners (capital appropriations).
- (iii) The portion of the fair value adjustment under AASB 9 that is related to Arts Centre Melbourne's Foundation is allocated to the donation & endowment reserve.

Victorian Arts Centre Trust

Cashflow statement For the financial year ended 30 June 2024

	Notes	2024 \$'000s	2023 \$'000s
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from customers ^(a)		77,428	68,658
Receipts from fundraising activities		3,357	6,016
Receipts from bequests and endowments		89	554
Government grants received		54,112	45,744
Interest and distributions received ^(b)		2,070	1,696
Total receipts		137,055	122,668
Payments			
Payments to suppliers		(64,203)	(69,058)
Payments to employees		(58,384)	(62,627)
GST paid to the Australian Taxation Office ^(c)		(2,455)	(2,206)
Interest and other costs of finance paid		(54)	(70)
Total payments		(125,097)	(133,961)
Net cash from/(used in) operating activities	6.2.1	11,959	(11,293)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(89,554)	(32,184)
Receipts from investments ^(d)		-	602
Net cash from/(used in) investing activities		(89,554)	(31,582)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contribution received from State Government		80,682	30,366
Repayment of borrowings and principal portion of lease liabilities ^(e)		(1,855)	(1,368)
Net cash provided by financing activities		78,827	28,998
Net (decrease)/ increase in cash and cash equivalents		1,232	(13,877)
Cash and cash equivalents at the beginning of the financial year		39,089	52,966
Cash and cash equivalents at the end of the financial year	6.2	40,321	39,089

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

Notes:

- Receipts from customers in FY2024 includes \$16.4m (FY2023: \$12.1m) of cash received from ticket purchasers for future events which can only be made available to the Presenter (ticketing receipts) and the Trust (venue rental, ticketing commission and other recoveries) after the relevant event has occurred.
- 'Interest and distributions received' is recognised as cash flow from operating activities.
- GST paid to the Australian Taxation Office is presented on a net basis.
- Includes equity and debt instruments.
- The Trust has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

1. About this report

The Victorian Arts Centre Trust (the "Trust"), trading as "Arts Centre Melbourne", is a Victorian Government statutory authority of Creative Victoria, a division of the Department of Jobs, Skills, Industry and Regions.

Its principal address is:

Victorian Arts Centre Trust
100 St Kilda Rd
Melbourne VIC 3004

A description of the nature of the Trust's operations and principal activities is included in the report of operations, which does not form part of these financial statements.

Structure

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1.1 Basis of accounting preparation and measurement

These financial statements are in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of *AASB 1004 Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Trust.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated. Discrepancies in tables between total and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

1.2 Compliance statement

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994*, the *Australian Charities and Not-for-profit Commission Act 2012* and the *Australian Charities and Not-for-profit Commission Regulations 2022* and applicable Australian Accounting Standards (AAS) which include interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

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

1.3 Economic dependency

Arts Centre Melbourne's post-pandemic recovery journey continued in FY2024 with robust demand from presenters and an increase in average audience sizes compared to FY2023, although opportunities for growth were limited by the impacts of Reimagining Arts Centre Melbourne on venue availability. Full recovery to pre-pandemic activity levels will take time, particularly in the context of the current cost of living challenges and significant disruption due to precinct redevelopment. Arts Centre Melbourne remained partially dependent on solvency funding from the State Government during the year.

Arts Centre Melbourne has prepared projected cash flow information for the twelve months from the date of approval of these financial statements taking into consideration the estimation of the impact of continued challenging economic conditions and cost of living pressures. The projections demonstrate that further support will be required over the coming year based on current expectations, which are highly uncertain.

Arts Centre Melbourne is dependent on the continued financial support of the State Government and in particular, the Department of Jobs, Skills, Industries & Regions ("DJSIR") as it seeks to return to financial sustainability after the impact of the pandemic in the face of challenging economic conditions. Without the continuation of this support Arts Centre Melbourne may not be able to continue as a going concern.

The Trustees have received written confirmation from the Victorian Government that it will continue to support Arts Centre Melbourne to remain a going concern. The letter of support provides the necessary confidence for Arts Centre Melbourne to prepare its Annual Financial Report for 2023-24 on a going concern basis to meet the requirements of Australian accounting standard AASB 101 *Presentation of Financial Statements*.

Support is conditional upon Arts Centre Melbourne maximising revenue by adopting appropriate operational strategies over the short to medium term, managing operating costs in line with Victorian Government directions, and discontinuing discretionary activities and expenditure which are not otherwise funded, unless significantly disadvantageous to do so.

On this basis Trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

2. Funding delivery of our services

Introduction

The core objective of the Trust is to enrich the lives of Victorians culturally, educationally, socially and economically by enabling people to enjoy and value the performing arts.

The Trust is a public entity and as such derives its funding from both Victorian Government grants and commercial sources such as ticketing, retail, philanthropy, corporate sponsorship, venue rental and food and beverage operations.

Structure

2.1	Summary of revenue and income that funds the delivery of our services	70
2.2	Revenue and income from transactions	70

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2024 \$'000s	2023 \$'000s
Sales of goods and services	2.2.1	52,724	60,768
Income from fundraising activities	2.2.2	4,939	5,496
Grants	2.2.3	49,710	47,770
Income from financial assets	2.2.4	2,432	2,504
Fair value of assets and services received free of charge or for nominal consideration		1,049	406
Other income		2,054	1,996
Total revenue and income from transactions		112,908	118,941

Revenue and income from transactions of the Trust are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

2.2 Revenue and income from transactions

2.2.1 Sales of goods and services

	2024 \$'000s	2023 \$'000s
Arts Centre Melbourne programming	7,289	4,450
Theatre services	18,071	23,232
Ticketing	7,135	8,893
Food and beverage	15,663	18,903
Car park	4,506	5,280
Other commercial	59	10
Total Sales of goods and services	52,724	60,768

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

The sales of goods and services included in the table above are transactions that the Trust has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Performance obligations and revenue recognition policies

Key income areas are as follows:

- Arts Centre Melbourne programming income comprises ticket sales from Arts Centre Melbourne presented and produced events. Revenue is recognised at a point in time when the performance obligation is satisfied, when the event is completed.
- Theatre services income consists of the recovery of event production costs and venue rental. Revenue is recognised at a point in time when the performance obligation is satisfied, when the event is completed.
- Ticketing income comprises commissions on the sale of tickets as well as merchant and transaction fees. Revenue is recognised at a point in time when the performance obligation is satisfied.
- The food and beverage revenue is earned from the various Arts Centre Melbourne bars and restaurants and from the Conferences Meetings and Events business. Revenue is recognised at the point of time when a customer uses the bars and restaurants. For events, revenue is recognised when the event is completed.
- The car park income is earned from the onsite car parking facilities. Revenue is recognised at the point in time when a customer uses the facility.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2.2). Where the performance obligations are satisfied but not yet billed, a contract asset is recorded (Note 5.1.2).

2.2.2 Income from fundraising activities

	2024 \$'000s	2023 \$'000s
Philanthropy	3,732	3,797
Bequests and endowments	89	554
Membership	379	444
Sponsorships	739	701
Total income from fundraising activities	4,939	5,496

All philanthropic donations, sponsorships and non-reciprocal contributions from the public are included in the Trust's revenue on receipt. Pledged donations are not recognised as income until received.

Bequests and endowment funds received are recognised as income in the year in which they are received. A portion of income generated by these funds is used to fund programming activities and the balance is retained by the Arts Centre Melbourne Foundation ("the Foundation") to generate income through investing activities.

Membership revenue is recognised on a basis that reflects the timing, nature and value of the benefits provided.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

2.2.3 Grants

	2024 \$'000s	2023 \$'000s
Victorian Government appropriation – recurrent	19,485	20,648
Victorian Government grants – Australian Music Vault	-	2,057
Victorian Government grants – RACM	12,427	8,160
Other Victorian Government grants – non-recurrent	10,717	16,684
Federal government grants	120	108
Philanthropic grants – RACM	3,400	-
Other grants – Asbestos removal	3,186	-
Other grants	375	113
Total grants	49,710	47,770

Non-recurrent Victorian Government grants

The Trust received non-recurrent funding from the Victorian Government of \$10.7m in FY2024 (FY2023: \$16.7m) comprising COVID-19 crisis funding support of \$9.6m and funding for programming and other core purpose activities (including Asia TOPA and the Registered Training Organisation (RTO) program) of \$1.1m. Philanthropic grants relate to funding raised for Reimagining Arts Centre Melbourne (RACM).

Grants recognised under AASB 1058

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

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Trust has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Trust recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards.

Related amounts may take the form of:

- Contributions by owners, in accordance with AASB 1004
- Revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15
- A lease liability in accordance with AASB 16
- A financial instrument, in accordance with AASB 9, or
- A provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. These grants primarily relate to programming activity; specifically, Asia TOPA and Registered Training Organisation funding. Revenue is recognised when the Trust satisfies the performance obligation. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

2.2.4 Income from financial assets

	2024 \$'000s	2023 \$'000s
Interest – bank deposits ^(a)	1,944	1,445
Dividends and interest – externally managed unitised trusts ^(b)	489	1,059
Total Income from financial assets classified as available for sale	2,432	2,504

Note:

(a) Interest includes \$0.5m (FY2023: \$0.3m) relating to fundraising activities and \$1.4m (FY2023: \$1.2m) relating to operating activities.

(b) Dividends related solely to fundraising activities.

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 is recognised when the right to receive payment is established. Dividends represent the income arising from the Trust's investment of philanthropic funds in financial assets.

Net unrealised gains and losses on the revaluation of investments do not form part of the income from transactions, but are reported as unrealised gains and losses from other economic flows included in the net result.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

3. The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the Trust in delivering services and outputs. In Section 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

3.1	Summary of expenses incurred in delivery of services	74
3.2	Employee benefit expenses	74
3.3	Performance generated expenses	77
3.4	Other commercial expenses	77
3.5	Facilities expenses	78
3.6	Other operating expenses	78
3.7	Demolition and disposal expenses	79

3.1 Summary of expenses incurred in delivery of services

	Notes	2024 \$'000s	2023 \$'000s
Employee benefit expenses	3.2	58,453	61,250
Performance generated expenses	3.3	11,664	16,406
Other commercial expenses	3.4	7,418	8,169
Facilities expenses	3.5	16,110	13,277
Other operating expenses	3.6	12,132	12,525
Demolition and disposal expenses	3.7	14,605	9,608
Total expenses incurred in the delivery of services		120,382	121,236

3.2 Employee benefit expenses

3.2.1 Employee benefits in the comprehensive operating statement

	2024 \$'000s	2023 \$'000s
Salaries and wages	49,307	52,636
Superannuation	5,345	5,260
Taxes	3,152	3,005
Termination benefits	208	118
Other employee expenses	440	231
Total employee benefit expenses	58,453	61,250

Employee expenses include all costs related to employment including wages and salaries, superannuation, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The superannuation amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by the Trust to the relevant superannuation plans in respect to the services of the Trust's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that the Trust is required to comply with.

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

recognised when the Trust is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.2.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave (LSL) and other entitlements for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2024 \$'000s	2023 \$'000s
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	2,472	2,550
Unconditional and expected to settle after 12 months	834	875
Long service leave		
Unconditional and expected to settle within 12 months	453	456
Unconditional and expected to settle after 12 months	3,412	3,474
Provision of on-costs		
Unconditional and expected to settle within 12 months	457	434
Unconditional and expected to settle after 12 months	779	749
Total current provisions for employee benefits	8,406	8,538
Non-current provisions:		
Employee benefits	1,046	961
On-costs	200	173
Total non-current provisions for employee benefits	1,246	1,134
Total provisions for employee benefits	9,652	9,672

Reconciliation of movement in on-cost provisions

	2024 \$'000s	2023 \$'000s
Opening balance	1,355	1,195
Additional provisions recognised	847	911
Reductions arising from payments	(770)	(723)
Unwind of discount and effect of changes in the discount rate	5	(28)
Closing balance	1,437	1,355
Current	1,236	1,182
Non-current	200	173
Total	1,437	1,355

Wages and salaries, annual leave and other entitlements: Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Trust does not have an unconditional right to defer settlements of these liabilities.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

The liability for salaries and wages and other entitlements are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Trust expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

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

No provision has been made for sick leave as all sick leave is non-vesting and the expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

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

The components of this current LSL liability are measured at either:

- Undiscounted value – if the Trust expects to wholly settle within 12 months
- Present value – if the Trust does not expect to wholly settle within 12 months.

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

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

3.2.3 Superannuation contributions

Employees of the Trust are entitled to receive superannuation benefits and the Trust contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary. Superannuation contributions paid or payable for the reporting period are recognised as an expense in the Comprehensive Operating Statement when they are made or fall due.

	Paid contribution for the year		Contribution outstanding at year end	
	2024 \$'000s	2023 \$'000s	2024 \$'000s	2023 \$'000s
Defined benefit plans				
Vision Super	73	71	11	23
Defined contribution plans				
Australian Super	2,662	2,400	-	-
HostPlus Super	749	798	-	-
Other	2,411	2,366	-	-
Total	5,896	5,635	11	23

(a) Defined contribution superannuation funds

The majority of the superannuation funds are defined contribution funds. The Trust does not make contributions to these funds other than at the superannuation guarantee levy rate of 11.0% in FY2024 (10.5% in FY2023) or as per enterprise agreements. The Superannuation Guarantee contribution rate is legislated to progressively increase to 12% by 2025, and will increase to 11.5% from 1 July 2024.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

(b) Defined benefit fund

The Trust makes all of its defined benefit employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund ("the Fund"). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The Defined Benefit category provides lump sum benefits based on years of service and final average salary. In certain circumstances, a defined benefit member may be eligible to purchase a lifetime pension with up to 50% of their lump sum benefit.

Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Operating Statement when they are made or due.

3.3 Performance generated expenses

	2024 \$'000s	2023 \$'000s
Arts Centre Melbourne programming	6,489	8,524
Theatre services	2,544	4,015
Ticketing	1,074	1,951
Performance marketing	1,557	1,915
Total performance generated expenses	11,664	16,406

Performance generated expenses are recognised in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

3.4 Other commercial expenses

	2024 \$'000s	2023 \$'000s
Food and beverage	6,090	6,793
Car park	1,069	1,055
Commercial marketing	198	263
Other commercial	60	58
Total other commercial expenses	7,418	8,169

Other commercial 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.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

3.5 Facilities expenses

	2024 \$'000s	2023 \$'000s
Maintenance and renewal	4,497	3,109
Maintenance contracts	3,602	3,419
Equipment	1,138	917
Cleaning, waste and security services	4,436	4,164
Utilities	2,233	1,427
Other costs recovered from third parties ^(a)	204	241
Total facilities expenses	16,110	13,277

Note:

(a) The Trust shares infrastructure with the National Gallery of Victoria (NGV) and the Trust's food and beverage tenants. The Trust incurs costs in relation to this shared infrastructure, a proportion of which are recovered from the NGV and food & beverage tenants. All recoveries are made at cost.

Facilities expenses generally represent the cost of running and maintaining infrastructure and are recognised in the reporting period in which they are incurred.

3.6 Other operating expenses

	2024 \$'000s	2023 \$'000s
Other marketing	645	557
Information systems and technology	3,282	3,159
Lease rental expenses – short term leases	41	299
Lease rental expenses – low-value assets	453	279
Insurance	851	734
Legal and professional	4,213	3,905
Finance costs	457	331
Travel, transportation and freight	598	702
Office expenses	14	436
Staff support	902	1,073
Bad debts	7	6
General	668	1,044
Total other expenses	12,132	12,525

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

Bad and doubtful debts are assessed on a regular basis and written off when appropriate. Refer note 7.1.3 for further details.

Services provided free of charge or for nominal consideration are only recognised when the value can be reliably determined, and the services would have been purchased if not donated. Other marketing services provided free of charge in FY2024 were \$0.2m (FY2023: \$0.3m).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

The following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term less than 12 months; and
- Low-value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than \$10,000.

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate and which are not, in substance, fixed) such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive operating statement (except for payments which have been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

3.7 Demolition and disposal expenses

	2024 \$'000s	2023 \$'000s
Demolition and disposal expenses	14,605	9,608
Total demolition and disposal expenses	14,605	9,608

Demolition and disposal expenses have been incurred as part of the Early Works package of Reimagining Arts Centre Melbourne (RACM). As discussed in more detail in the *Our year in review* section of the FY2023 Annual Report, part of the Theatres Building has been demolished to make way for the major upgrades to its facilities to be delivered by the project. Demolition costs are captured by the quantity surveyor on the RACM project and are recorded in the reporting period in which they are incurred. Refer to note 8.9 for the estimated impact of the change in Australian Accounting Standards to reflect AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-profit Public Sector Entities*.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

4. Key assets available to support output delivery

Introduction

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

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

Structure

4.1	Total property, plant and equipment	80
4.2	Investments and other financial assets	84

4.1 Total property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2024 \$'000s	2023 \$'000s	2024 \$'000s	2023 \$'000s	2024 \$'000s	2023 \$'000s
Land at fair value	179,272	204,850	-	-	179,272	204,850
Buildings at fair value	158,569	148,134	(2,851)	(6,082)	155,719	142,052
Building fit outs at fair value	135,106	150,112	-	(23,936)	135,106	126,176
Work in progress at cost ^(a)	121,962	42,900	-	-	121,962	42,900
Furniture and equipment at cost	81,930	79,652	(52,057)	(49,062)	29,873	30,591
Motor vehicles at cost	48	119	(40)	(110)	8	9
Works of art at fair value	44,878	44,802	-	-	44,878	44,802
Performing art collection at fair value	34,697	33,852	-	-	34,697	33,852
Net carrying amount	756,462	704,423	(54,947)	(79,190)	701,515	625,233

Note:

(a) Work in progress contains \$120.7m (FY2023: \$40.4m) related to Reimagining Arts Centre Melbourne, \$Nil (FY2023: \$2.1m) related to APAC Reveal, \$0.8m (FY2023: \$0.4m) related to other government-funded minor capital works and \$0.4m (FY2023: \$Nil) of self funded capital works. These work in progress assets have been designated as contributions by owners and are recognised in contributed capital. The balance relates to miscellaneous work in progress capital projects.

4.1 (a) Total right-of-use assets: buildings, plant, equipment and vehicles

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2024 \$'000s	2023 \$'000s	2024 \$'000s	2023 \$'000s	2024 \$'000s	2023 \$'000s
Buildings at fair value	4,175	3,316	(2,851)	(1,312)	1,324	2,004
Motor Vehicles	-	8	-	(8)	-	-
Property, Plant and Equipment	436	557	(278)	(289)	158	268
Net carrying amount	4,610	3,881	(3,129)	(1,609)	1,482	2,272

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Initial recognition: All items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and any impairment charge. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

2024	Buildings at fair value \$'000s	Motor vehicles \$'000	Property, Plant and Equipment \$'000s
Opening balance	2,004	-	268
Additions	859	8	15
Disposals	-	(17)	(136)
Depreciation on disposals	-	17	136
Depreciation	(1,539)	(8)	(125)
Closing balance	1,324	-	158

2023	Buildings at fair value \$'000s	Motor vehicles \$'000	Property, Plant and Equipment \$'000s
Opening balance	192	-	252
Additions	2,885	8	140
Disposals	-	-	-
Depreciation	(1,073)	(8)	(124)
Closing balance	2,004	-	268

Right-of-use asset acquired by lessees: Initial measurement

The Trust recognises a right-of-use asset (a lessee's right to use an asset over the life of a lease) and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date less any lease incentive received
- Any initial direct costs incurred
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

Subsequent measurement: Property, plant and equipment (PPE) and right of use assets under leases are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

In FY2021 an independent valuation of the Trust's land was performed by Valuer-General Victoria and an independent valuation of the buildings was performed by Napier & Blakeley Pty Ltd on behalf of the Valuer-General Victoria. An external revaluation process is required every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if material movements in fair value are identified.

Under Financial Reporting Direction (FRD) 103 the Trust is required to perform a fair value assessment of specialised land and specialised buildings. A cumulative movement, since the last formal revaluation, of greater than 10% requires management to undertake a managerial valuation. The Trust uses Valuer-General Victoria land and

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

building indices to determine the movement. Indices issued by the Valuer-General Victoria indicate a change of more than 10% but less than 40% in this area, and as such, a managerial revaluation was undertaken as at 30 June 2024 which decreased the value of land by \$25.6m to \$179.3m and increased the value of buildings and fit out by \$31.3m to \$290.8m.

However, as demolition and disposal works have been undertaken on the Theatres Building as part of the Early Works phase of Reimagining Arts Centre Melbourne, an independent valuation of the impact of these demolition and disposal works on the FY2021 valuation of the Theatres Building was undertaken by Napier & Blakeley on behalf of the Value-General Victoria. This has been reflected in the carrying value of the Theatres Building as at 30 June 2024.

Right-of-use asset – Subsequent measurement

The Trust depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants.

For the majority of the Trust's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciation.

Vehicles are valued using the cost method. The Trust acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition use and disposal in the market is managed by experienced fleet managers in the Trust who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Furniture and equipment are valued using the cost method.

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

Indefinite life assets: Land, Works of art and Performing arts collection assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

4.1.1 Depreciation and amortisation

Charge for the period

	2024 \$'000s	2023 \$'000s
Buildings	3,926	3,462
Building fit-out	14,256	12,049
Furniture and equipment	3,246	3,178
Motor vehicles	9	10
Intangible assets	7	152
Total depreciation and amortisation	21,444	18,851

Depreciation and amortisation are calculated on the straight-line method to write off the value of non-current physical assets (excluding land, Works of art and Performing Arts Collection assets) to its residual value over its expected useful life to the Trust.

Estimates of the remaining useful lives for all assets are reviewed at least annually. The maximum useful life for buildings is 100 years, and 50 years for building fit-outs. This has been assessed as reasonable as there is a public expectation that iconic buildings are maintained to an acceptable level which is not reflective of their physical effective life. The expected useful lives, as assessed as reasonable by management in the current and prior year, are as follows:

Asset	Useful life (years)
Buildings	47 to 100
Building fit-outs	1.5 to 50
Furniture and equipment	3 to 50
Motor vehicles	5 to 6
Software intangible assets	2 to 5
Right of use buildings	2 to 5
Right of use motor vehicles	1 to 2
Right of use equipment	2 to 5.5
Works of art and Performing Arts Collection	Non-depreciable

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. There have been no changes to the useful lives since the prior year.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Trust obtains ownership of the underlying lease's asset or if the cost of the right-of-use asset reflects that the Trust will exercise a purchase option, the Trust depreciates the right-of-use asset over its useful life.

Major spare parts purchased for plant are capitalised and depreciated on the same basis as the plant to which they relate.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

4.1.2 Reconciliation of movements in carrying amount of property, plant and equipment

2024	Land \$'000s	Buildings \$'000s	Building Fit-out \$'000s	Furniture and Equipment \$'000s	Motor vehicles \$'000s	Works of Art \$'000s	Performing Arts Collection \$'000s	Work in Progress \$'000s	Total \$'000s
Opening balance	204,850	142,052	126,176	30,591	9	44,802	33,852	42,900	625,233
Additions	-	888	7,949	884	8	59	846	81,594	92,229
Disposals	-	-	(655)	(273)	(80)	(10)	(2)	-	(1,019)
Transfers	-	5	625	1,666	-	26	-	(2,322)	-
Depreciation	-	(3,926)	(14,256)	(3,246)	(9)	-	-	-	(21,437)
Depreciation on disposals	-	-	654	251	80	-	-	-	985
Expensed	-	-	-	-	-	-	-	(211)	(211)
Revaluation	(25,578)	16,699	14,613	-	-	-	-	-	5,734
Closing balance	179,272	155,719	135,106	29,873	8	44,878	34,697	121,962	701,515

2023	Land \$'000s	Buildings \$'000s	Building Fit-out \$'000s	Furniture and Equipment \$'000s	Motor vehicles \$'000s	Works of Art \$'000s	Performing Arts Collection \$'000s	Work in Progress \$'000s	Total \$'000s
Opening balance	204,850	143,803	131,426	32,234	10	44,809	33,721	29,665	620,518
Additions	-	2,885	7,991	870	8	7	152	14,010	25,923
Disposals	-	(1,197)	(1,330)	-	-	(13)	(21)	-	(2,561)
Transfers	-	-	109	665	-	-	-	(774)	-
Transfers to intangible	-	(3,462)	(12,049)	(3,178)	(10)	-	-	-	(18,699)
Depreciation	-	23	29	-	-	-	-	-	52
Depreciation on disposals	-	-	-	-	-	-	-	-	-
Expensed	-	-	-	-	-	-	-	-	-
Closing balance	204,850	142,052	126,176	30,591	9	44,802	33,852	42,900	625,233

4.2 Investments and other financial assets

	2024 \$'000s	2023 \$'000s
Managed investment schemes: ^(a)		
Managed investment schemes – Foundation Funds ^(b)	17,609	16,013
Total non-current investments and other financial assets	17,609	16,013
Total investments and other financial assets	17,609	16,013

Note:

(a) The Trust designates all its managed investment schemes at fair value through profit or loss. Unless such assets are part of a disposal group held for sale, all managed investment schemes are classified as non-current.

(b) Investments held relating to Foundation funds are donated for an agreed purpose and not available for general operations.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

5. Other assets and liabilities

Introduction

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

Structure

5.1	Receivables and contract assets	85
5.2	Payables and contract liabilities	86
5.3	Other non-financial assets	88

5.1 Receivables and contract assets

5.1.1 Receivables

	2024 \$'000s	2023 \$'000s
Contractual		
Sale of goods and services	2,665	1,600
Allowance for impairment losses of contractual receivables	(307)	(386)
Other receivables	1,143	435
Statutory		
FBT receivable	1	-
Total receivables	3,503	1,649
Represented by:		
Current receivables	3,503	1,649
Non-current receivables	-	-

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. The Trust holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently 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 for disclosure purposes. The Trust applies AASB 9 for initial measurement of the statutory receivables and, as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about the Trust's impairment policies, the Trust's exposure to credit risk, and the calculation of the loss allowance are set out in note 7.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

5.1.2 Contract assets

	2024 \$'000s	2023 \$'000s
Contract assets		
Opening balance	806	468
Add: Additional costs incurred that are recoverable from the customer	411	806
Less: Transfer to revenue recognition	(806)	(468)
Total contract assets	411	806
Represented by:		
Current contract assets	411	806
Non-current contract assets	-	-

Contract assets relate to the Trust's right to consideration in exchange for goods transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional; at this time, an invoice is issued. This usually occurs when the Trust issues an invoice to the customer. The works are expected to be completed and recovered early next year.

5.2 Payables and contract liabilities

5.2.1 Payables

	2024 \$'000s	2023 \$'000s
Contractual		
Supplies and services	1,627	1,618
Sundry Creditors and accruals	11,560	5,189
Box Office Creditors	896	803
Superannuation guarantee payable	11	24
Statutory		
FBT payable	-	15
GST payable	220	348
Other taxes payable	234	-
Total payables	14,547	7,997
Represented by:		
Current payables	13,623	7,073
Non-current payables	924	924

Payables consist of:

- **Contractual payables** classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid.
- **Statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Payables for supplies and services have an average credit period of 30 days. Box office creditors are held as payables until the performance has occurred. In FY2023 \$8.7m of funds were prepaid to Development Victoria for the RACM project, representing capital funding provided by the Victorian Government not spent prior to year end. In FY2024, RACM construction costs incurred by Development Victoria exceeded the capital funding provided, resulting in a liability of \$7.3m payable to Development Victoria.

5.2.2 Contract liabilities

	2024 \$'000s	2023 \$'000s
Opening balance	16,018	36,847
Add: Payments received for performance obligations yet to be completed during the period	16,850	12,145
Add: Grant consideration for sufficiently specific performance obligations received during the year	5,900	3,678
Less: Revenue recognised in the reporting period for the completion of a performance obligation	(12,266)	(32,570)
Less: Grant revenue for sufficiently specific performance obligations works recognised consistent with the performance obligations met during the year	(2,669)	(4,083)
Total contract liabilities	23,832	16,018
Represented by:		
Current contract liabilities	23,642	15,950
Non-current contract liabilities	190	67

Contract liabilities include consideration received in advance from customers in respect of performances. Income is recognised or funds are passed to the Presenter after the relevant event has occurred.

In addition, grant consideration was also received from the State Government in support of programming activity and other initiatives. Grant income is recognised when the relevant services are provided each month. The remaining grant revenue is recognised when the services are rendered in the following year.

Maturity analysis of contractual payables ^(a)

2024	Carrying amount \$'000s	Maturity dates				
		Less than 1 month \$'000s	1 – 3 months \$'000s	3 months – 1 year \$'000s	1 – 5 years \$'000s	5+ years \$'000s
Supplies and services	1,627	1,627	-	-	-	-
Sundry Creditors and accruals	11,560	3,297	7,339	-	924	-
Box Office Creditors	896	737	26	132	-	-
Superannuation guarantee payable	11	11	-	-	-	-
Total	14,093	5,672	7,365	132	924	-

2023	Carrying amount \$'000s	Maturity dates				
		Less than 1 month \$'000s	1 – 3 months \$'000s	3 months – 1 year \$'000s	1 – 5 years \$'000s	5+ years \$'000s
Supplies and services	1,618	1,618	-	-	-	-
Sundry Creditors and accruals	5,189	4,264	-	-	924	-
Box Office Creditors	803	708	-	95	-	-
Superannuation guarantee payable	24	24	-	-	-	-
Total	7,634	6,615	-	95	924	-

Note:(a) Maturity analysis is presented using the contractual undiscounted cash flows.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

5.3 Other non-financial assets

	2024 \$'000s	2023 \$'000s
Current other assets		
Prepayments	3,100	11,185
Total current other assets	3,100	11,185

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period. The prepayment amount includes \$Nil (FY2023 \$8.7m) paid to Development Victoria as a prepayment for property, plant and equipment.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

6. How we financed our operations

Introduction

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

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

Structure

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6.3 Commitments for expenditure	93

6.1 Leases

6.1.1 Leases

Information about leases for which the Trust is a lessee is presented below.

The Trust's leasing activities

The Trust leases various properties, equipment and motor vehicles. The lease contracts are typically made for fixed periods of one to three years with an option to renew the lease after that date. Lease payments are renegotiated every five years to reflect market rentals.

The Trust leases IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low value items. The Trust has elected not to recognise right-of-use assets and lease liabilities for these leases.

At 30 June 2024, the Trust was committed to short-term and low-value leases and the total commitment at that date was \$1.5m.

6.1.1 (a) Right-of-use Assets

Right-of-use assets are presented in note 4.1(a).

6.1.1 (b) Right-of-use Assets Lease liabilities

	2024 \$'000s	2023 \$'000s
Lease liabilities – current	1,125	1,673
Lease liabilities – non-current	379	644
Total lease liabilities	1,503	2,317

6.1.1 (c) Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Comprehensive Operating Statement relating to leases

	2024 \$'000s	2023 \$'000s
Interest expense on lease liabilities	54	70
Expenses relating to short term leases	41	299
Expenses relating to leases of low-value assets	453	279
Total amount recognised in the comprehensive operating statement	549	648

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

6.1.1 (d) Amounts recognised in the Cash Flow Statement

The following amounts are recognised in the Cash Flow Statement for the year ended 30 June 2024 relating to leases.

	2024 \$'000s	2023 \$'000s
Total cash outflow for leases	1,855	1,368

For any new contracts entered into, the Trust considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Trust assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Trust, and for which the supplier does not have substantive substitution rights;
- The Trust has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Trust has the right to direct the use of the identified asset throughout the period of use;
- The Trust has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable, or the Trust's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments) less any lease incentive receivable;
- Variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- Payments arising from purchase and termination options reasonably certain to be exercised.

Lease Liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

Short-term leases and leases of low value assets

The Trust 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.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Below market/Peppercorn lease

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

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Presentation of right-of-use assets and lease liabilities

The Trust presents right-of-use assets as 'property plant equipment'. Lease liabilities are presented in the balance sheet.

6.1.2 Short-term and low value lease liabilities

Short-term and low-value leases payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

All incentives for the agreement new or renewed short-term and low-value lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into short-term and low-value leases, the aggregate cost of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Note 6.3.1 has details of all the short-term and low-value lease commitments.

6.2 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents include the following.

	2024 \$'000s	2023 \$'000s
Cash on hand and in bank	2,520	1,400
Cash held in box office bank account ^(a)	14,959	11,235
Cash held in Foundation bank account ^(b)	6,565	7,153
Bank deposits (restricted use) ^(c)	16,277	19,301
Balance as per cash flow statement	40,321	39,089

Note:

- (a) Cash held in the box office bank account is held on behalf of the ticket purchaser and can only be made available to the Presenter (ticketing receipts) and the Trust (venue rental, ticketing commission and other recoveries) after the relevant event has occurred.
- (b) Cash held in the Foundation bank account represents accumulated revenue received from donations, bequests, investment income and similar sources which is dedicated to be spent for an agreed purpose, usually on the Trust's own programming activities, and not available for general operations.
- (c) Restricted funds relate to capital funding and income received in advance held to a specific purpose and not available for general operations.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

6.2.1 Reconciliation of net result for the period to cash flow from operating activities

	2024 \$'000s	2023 \$'000s
Net result for the period	(27,644)	(22,878)
Non-cash movements		
(Gain)/loss on sale or disposal of non-current assets	9	2,503
(Gain)/loss on financial assets	(1,313)	(569)
Depreciation and amortisation of non-current assets	21,444	18,851
Donations of property, plant and equipment	(847)	(151)
Re-investment of dividends	(362)	(808)
Demolition expenses	14,605	9,608
Movements in assets and liabilities		
(Increase)/decrease in receivables	(1,784)	1,706
(Increase)/decrease in contract assets	395	(338)
(Increase)/decrease in inventories	175	(217)
(Increase)/decrease in other current assets	8,085	(938)
Increase/(decrease) in payables	(7,784)	307
Increase/(decrease) in contract liabilities	7,814	(20,829)
Increase/(decrease) in provisions including employee benefits	(20)	605
Increase/(decrease) in other liabilities	(813)	1,855
Net cash flows from/(used in) operating activities	11,959	(11,293)

Financing facility

	2024 \$'000s	2023 \$'000s
Unsecured credit card facility, reviewed annually and payable at call		
Amount used	21	61
Amount unused	279	239
Total	300	300
Unsecured operating lease facility, reviewed annually and payable at call		
Amount used	770	977
Amount unused	1,730	1,523
Total	2,500	2,500

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

6.3 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. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.3.1 Total commitments payable

Nominal amounts 2024	Less than 1 year \$'000s	1 – 5 years \$'000s	5+ years \$'000s	Total \$'000s
Operating commitments payable	19,631	31,135	-	50,766
Capital expenditure commitments payable ^(a)	161,299	165,431	-	326,730
Short-term and low-value lease commitments payable ^(b)	502	231	-	733
Programming commitments payable	641	-	-	641
Total commitments (inclusive of GST)	182,073	196,797		378,870
Less GST recoverable	15,695	17,885	-	33,579
Total commitments (exclusive of GST)	166,378	178,912		345,291

Note:

- (a) Capital expenditure commitments of \$325m are funded by Development Victoria in relation to the Reimagining Arts Centre Melbourne project. The project is being managed on behalf of the Victorian Government by Melbourne Arts Precinct Corporation (MAP Co) in partnership with Arts Centre Melbourne, National Gallery of Victoria and Creative Victoria.
- (b) Short-term and low-value lease commitments predominantly relate to computer equipment with lease terms typically between one and three years. These contracts do not allow the Trust to purchase the equipment after the lease ends. No material amount of operating leases is expected to be capitalised in the future.

Nominal amounts 2023	Less than 1 year \$'000s	1 – 5 years \$'000s	5+ years \$'000s	Total \$'000s
Operating commitments payable	5,218	7,639	-	12,857
Capital expenditure commitments payable ^(a)	74,184	326,743	-	400,927
Short-term and low-value lease commitments payable ^(b)	910	671	-	1,582
Programming commitments payable	735	160	-	894
Total commitments (inclusive of GST)	81,048	335,214		416,262
Less GST recoverable	7,173	30,293	-	37,466
Total commitments (exclusive of GST)	73,874	304,921		378,795

Note:

- (a) Capital expenditure commitments of \$399m are funded by Development Victoria in relation to the Reimagining Arts Centre Melbourne.
- (b) Short-term and low-value lease commitments predominantly relate to computer equipment with lease terms typically between one and three years. These contracts do not allow the Trust to purchase the equipment after the lease ends. No material amount of operating leases is expected to be capitalised in the future.
- (c) The value of commitments as at 30 June 2023 has increased by \$16.5m compared to those presented in the FY2023 financial statements. This reflects an allocation of overall project-level and precinct services commitments of the *Melbourne Arts Precinct Transformation* project, which were not included in the FY2023 financial statements.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

7. Risks, contingencies and valuation judgements

Introduction

The Victorian Arts Centre Trust is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument-specific information (including exposures to financial risks), as well as those items that are contingent in nature or require a higher level of judgement to be applied which, for the Trust, related mainly to fair value determination.

Structure

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7.1 Financial instruments specific disclosures

Introduction

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

Categories of financial assets

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- The assets are held by the Trust to collect the contractual cash flows
- 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.

The Trust recognises the following assets in this category:

- Cash and deposits
- Receivables (excluding statutory receivables)
- Term deposits.

Financial assets at fair value through net result

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 as explained above.

However, as an exception to those rules above, the Trust may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Trust has designated all of its managed investment schemes fair value through net result.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Categories of financial liabilities

The Trust does not recognise any liabilities at fair value through net result.

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 with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The Trust recognises payables and lease liabilities (excluding statutory payables) in this category.

Offsetting financial instruments: Financial instrument assets and liabilities are offset, and the net amount presented in the consolidated balance sheet when, and only when, the Trust has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Some master netting arrangements do not result in an offset of balance sheet assets and liabilities. Where the Trust does not have a legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as default, insolvency or bankruptcy, they are reported on a gross basis.

De-recognition of financial assets: A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when one or more of the following has occurred:

- The rights to receive cash flows from the asset have expired
- The trust retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement
- The trust has transferred its rights to receive cash flows from the asset and either:
 - Has transferred substantially all the risks and rewards of the asset
 - Has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where the Trust has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Trust's continuing involvement in the asset.

De-recognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Trust's business model for managing its financial assets has changed such that its previous model would no longer apply.

If, under rare circumstances, an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

7.1.1 Financial instruments: Categorisation

2024	<i>Financial assets designated at fair value through profit/loss</i> \$'000s	<i>Financial assets at amortised cost</i> \$'000s	<i>Contractual financial liabilities at amortised cost</i> \$'000s	<i>Total</i> \$'000s
Contractual financial assets				
Cash and deposits	-	40,321	-	40,321
Receivables ^(a)				
Sale of goods and services	-	2,665	-	2,665
Other receivables	-	1,143	-	1,143
Investments and other contractual financial assets				
Managed investment schemes	17,609	-	-	17,609
Total contractual financial assets	17,609	44,129	-	61,738
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	1,627	1,627
Box Office Creditors	-	-	896	896
Other payables	-	-	11,560	11,560
Borrowings				
Lease liabilities	-	-	1,503	1,503
Total contractual financial liabilities	-	-	15,586	15,586

Note:
(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable and taxes payable).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

2023	<i>Financial assets designated at fair value through profit/loss \$'000s</i>	<i>Financial assets at amortised cost \$'000s</i>	<i>Contractual financial liabilities at amortised cost \$'000s</i>	<i>Total \$'000s</i>
Contractual financial assets				
Cash and deposits	-	39,089	-	39,089
Receivables ^(a)				
Sale of goods and services	-	1,600	-	1,600
Other receivables	-	435	-	435
Investments and other contractual financial assets				
Managed investment schemes	16,013	-	-	16,013
Total contractual financial assets	16,013	41,124	-	57,137
Contractual financial liabilities				
Payables ^(a)				
Supplies and services	-	-	1,618	1,618
Box Office Creditors	-	-	803	803
Defined Pension superannuation call	-	-	-	-
Other payables	-	-	5,189	5,189
Borrowings				
Lease liabilities	-	-	2,317	2,317
Total contractual financial liabilities	-	-	9,927	9,927

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable and taxes payable).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

7.1.2 Financial instruments – Net holding gain/(loss) on financial instruments by category

2024	Net holding gain/(loss) \$'000s	Total interest income/ (expense) \$'000s	Total \$'000s
Contractual financial assets			
Financial assets at amortised cost – loans and receivables	79	1,944	2,022
Financial assets designated at fair value through profit/loss	1,234	489	1,723
Total contractual financial assets	1,313	2,432	3,745

Note: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

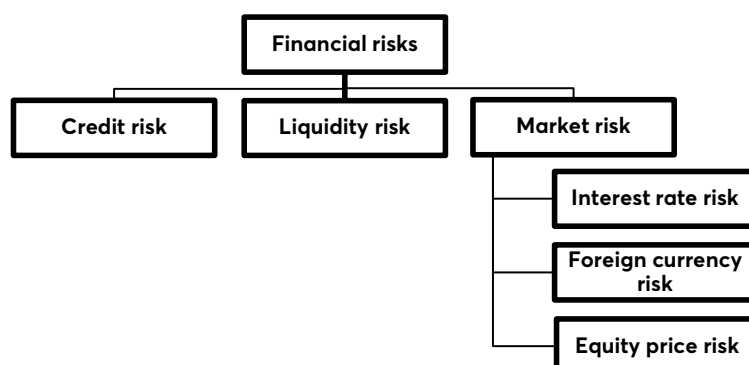
2023	Net holding gain/(loss) \$'000s	Total interest income/ (expense) \$'000s	Total \$'000s
Contractual financial assets			
Financial assets at amortised cost – loans and receivables	1	1,445	1,446
Financial assets designated at fair value through profit/loss	569	1,059	1,628
Total contractual financial assets	569	2,504	3,073

Note: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

The net holding gains or losses disclosed above are determined as follows:

- For cash and cash equivalents and financial assets at amortised cost, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result.
- For financial assets that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset.

7.1.3 Financial risk management objectives and policies



Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

As a whole, the Trust's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above, are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Trust's financial risks within the government policy parameters.

The Trust's main financial risks include credit risk, liquidity risk and market risk. The Trust manages these financial risks in accordance with its Financial Risk Management policy.

The Trust uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risk rests with the Trust.

Financial instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Trust's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Trust. Credit risk is measured at fair value and is monitored on a regular basis.

The Trust's policy is that credit sales are only made to customers that are creditworthy. Provision of impairment of contractual financial assets is recognised when there is objective evidence that the Trust is not able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue and changes in debtor credit ratings.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Trust's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to the Trust's credit risk profile in 2023-24.

Credit quality of financial assets

2024	Financial institutions (AA credit rating) \$'000s	Government agencies (AA credit rating) \$'000s	Other \$'000s	Total \$'000s
Cash and deposits	40,321	-	-	40,321
Receivables ^(a)	30	214	3,565	3,809
Investments and other financial assets	-	17,609	-	17,609
Total financial assets	40,351	17,823	3,565	61,739

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

2023	Financial institutions (AA credit rating) \$'000s	Government agencies (AA credit rating) \$'000s	Other \$'000s	Total \$'000s
Cash and deposits	39,088	-	1	39,089
Receivables ^(a)	12	-	2,023	2,035
Investments and other financial assets	-	16,013	-	16,013
Total financial assets	39,100	16,013	2,024	57,137

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Impairment of financial assets under AASB 9

The Trust records the allowance for expected credit loss for the relevant financial instruments, applying AASB 9's Expected Credit Loss approach. The items subject to AASB 9 impairment assessment include the Trust's contractual receivables, statutory receivables and its investment in debt instruments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Although not a financial asset, contract assets recognised applying AASB 15 (Note 5.1.2) are also subject to impairment however it is immaterial.

Contractual receivables at amortised cost

The Trust applies AASB 9's simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Trust has grouped contractual receivables on shared credit risk characteristics and days past due and selected the expected credit loss rate based on the Trust's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Trust determines the closing loss allowance at end of the financial year as follows:

2024	Current	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	Total
Expected loss rate	-	-	26%	53%	-	8%
Gross carrying amount of contractual receivables	1,466	413	140	508	1,282	3,809
Loss allowance	-	-	37	271	-	307

2023	Current	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	Total
Expected loss rate	-	-	73%	82%	87%	19%
Gross carrying amount of contractual receivables	1,315	258	39	191	232	2,035
Loss allowance	-	-	28	157	201	386

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

	2024 \$'000s	2023 \$'000s
Balance at beginning of the year	(386)	(387)
Increase in provision recognised in the net result	(307)	(95)
Reversal of provision of receivables written off during the year as uncollectible	-	-
Reversal of unused provision recognised in the net result	386	95
Balance at end of the year	(307)	(386)

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Statutory receivables and debt investments at amortised cost

The Trust's non-contractual receivables arising from statutory requirements are not financial instruments. However, they are nevertheless recognised and measured in accordance with AASB 9 requirements as if those receivables are financial instruments.

Both the statutory receivables and investments in debt instruments are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As the result, the loss allowance recognised for these financial assets during the period was limited to 12 months' of expected losses. No loss allowance has been recognised.

Financial instruments: Liquidity risk

Liquidity risk is the risk that the Trust would be unable to meet its financial obligations as and when they fall due. The Trust continuously manages risk through monitoring future cash flows to ensure adequate holding of high-quality liquid assets.

The Trust's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk. Cash for unexpected events is generally sourced from cash on hand. The maximum exposure to liquidity risk is the carrying amount of financial liabilities as shown in note 7.1.1.

Financial instruments: Market risk

The Trust's exposures to market risk are primarily through interest rate risk, foreign currency risk and equity price risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

Sensitivity disclosure analysis and assumptions

The Trust's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. The Trust's fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- A movement of 100 basis points up and down (FY2023: 100 basis points up and down) in market interest rates (AUD)
- A movement of 15% up and down (FY2023: 15%) for the top ASX 200 index.

The tables that follow show the impact on the Trust's net result and equity for each category of financial instrument held by the Trust at the end of the reporting period if the above movements were to occur.

a) Interest rate risk

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

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

The Trust manages this risk by mainly undertaking fixed rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded that cash at bank as financial assets can be left at floating rate without necessarily exposing the Trust to significant risk. Management monitors movement in interest rates on a regular basis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Trust's sensitivity to interests rate risk are set out in the table that follows.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

Interest rate exposure of financial instruments

2024	Weighted average interest rate %	Carrying amount \$'000s	Fixed interest rate \$'000s	Interest rate exposure Variable interest rate \$'000s	Non-interest bearing \$'000s
Financial assets					
Cash at bank and on hand	4.41%	40,321	-	40,321	-
Receivables^(a)					
Sale of goods and services	-	2,358	-	-	2,358
Other receivables	-	1,143	-	-	1,143
Investments					
Managed investment schemes	-	17,609	-	-	17,609
Total financial assets		61,432		40,321	21,111
Financial liabilities					
Payables^(a)					
Supplies and services	-	1,627	-	-	1,627
Box Office Creditors	-	896	-	-	896
Other payables	-	11,560	-	-	11,560
Borrowings					
Lease liabilities	3.48%	1,503	1,503	-	-
Total financial liabilities		15,586	1,503	-	14,083

Note:

(a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

2023	Weighted average interest rate %	Carrying amount \$'000s	Interest rate exposure		
			Fixed interest rate \$'000s	Variable interest rate \$'000s	Non-interest bearing \$'000s
Financial assets					
Cash at bank and on hand	2.98%	39,089	-	39,089	-
Receivables ^(a)					
Sale of goods and services	-	2,009	-	-	2,009
Other receivables	-	(360)	-	-	(360)
Investments					
Managed investment schemes	-	16,013	-	-	16,013
Total financial assets		56,751	-	39,089	17,662
Financial liabilities					
Payables ^(a)					
Supplies and services					
Box Office Creditors	-	1,618	-	-	1,618
Defined pension superannuation call	-	803	-	-	803
Other payables	-	5,189	-	-	5,189
Borrowings					
Lease liabilities	3.38%	2,317	2,317	-	-
Total financial liabilities		9,927	2,317	-	7,610

Note:

(a) The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian government and GST input tax credit recoverable).

Interest rate risk sensitivity

2024	Carrying amount \$'000s	Net result \$'000s	
		-100 basis points	+100 basis points
Cash	40,321	(403)	403
Total impact	40,321	(403)	403

2023	Carrying amount \$'000s	Net result \$'000s	
		-100 basis points	+100 basis points
Cash	39,089	(391)	391
Total impact	39,089	(391)	391

b) Foreign currency risk

The Trust is exposed to limited foreign currency risk through payments to international artists and international software companies. The Trust's exposure is minimised through regular monitoring of movements in exchange rates against the principal currencies and hedging of foreign currency exposures.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

c) Equity price risk

The Trust is exposed to equity price risk through its investments in managed investment schemes. Such investments are allocated, traded and managed by VFMC to match the Trust's investment objectives appropriate for the Trust's liabilities.

The Trust has appointed a State organisation to manage its investment portfolio in accordance with the Investment Risk Management Plan, approved by the Treasurer. The fund manager on behalf of the Trust closely monitors performance and manages the equity price risk through diversification of its investment portfolio.

The Trust's sensitivity to equity price risk is set out below.

Other price risk sensitivity

2024	Carrying amount \$'000s	Net result \$'000s	
		-5%	+5%
Managed investment schemes	17,609	(880)	880
Total Impact	17,609	(880)	880

2023	Carrying amount \$'000s	Net result \$'000s	
		-5%	+5%
Managed investment schemes	16,013	(801)	801
Total Impact	16,013	(801)	801

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

The Trust is not aware of any quantifiable or non-quantifiable contingent assets in the current and prior year.

Contingent liabilities

Contingent liabilities are:

- Possible obligations that arise from past events, which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- Present obligations that arise from past events but are not recognised because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
 - The amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable assets in the current and prior year.

Non-quantifiable contingent liabilities

Several potential obligations are non-quantifiable at this time arising from:

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

- Indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators;
- Performance guarantees, warranties, letters of comfort and the like;
- Deeds in respect of certain obligations; and
- Unclaimed monies, which may be subject to future claims by the general public against the trust.

The Trust is not aware of any quantifiable contingent liabilities.

7.3 Fair value determination and impairment

This section sets out information on how the Trust determines fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through net result;
- Land, buildings, infrastructure, plant and equipment; and
- Cultural assets.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

The Trust determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Significant Judgement: Fair value measurement of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Victorian Arts Centre Trust.

Fair value hierarchy

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

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

The Trust determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Trust, in conjunction with the Valuer-General Victoria (VGV) and other external valuers, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- Carrying amount and the fair value (which would be the same for those assets measured at fair value);
- Which level of the fair value hierarchy was used to determine the fair value; and
- In respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - A reconciliation of the movements in fair values from the beginning of the year to the end; and
 - Details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Trust currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of FY2024.

These financial instruments include:

<i>Financial assets</i>	<i>Financial liabilities</i>
Cash on hand and in bank	Payables:
Receivables:	<ul style="list-style-type: none">• For supplies and services
<ul style="list-style-type: none">• Sales of goods and services• Other receivables	<ul style="list-style-type: none">• Box office creditors• Other payables
Investments and other contractual financial assets:	<ul style="list-style-type: none">• Defined benefit superannuation call
<ul style="list-style-type: none">• Managed investment schemes	<ul style="list-style-type: none">• Lease liabilities

There are no financial instruments where the fair value is different from the carrying amount.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Financial assets measured at fair value ^(a)

2024	Carrying amount as at 30 June \$'000s	Fair value measurement at end of reporting period using:		
		Level 1 ^(b) \$'000s	Level 2 ^(b) \$'000s	Level 3 ^(b) \$'000s
Managed investment schemes	17,609	-	17,609	-
Total	17,609	-	17,609	-

2023	Carrying amount as at 30 June \$'000s	Fair value measurement at end of reporting period using:		
		Level 1 ^(b) \$'000s	Level 2 ^(b) \$'000s	Level 3 ^(b) \$'000s
Managed investment schemes	16,013	-	16,013	-
Total	16,013	-	16,013	-

Note:

(a) The fair value hierarchy disclosures shall be disclosed by class of financial instrument where class is the lowest level disclosed in the financial statements or notes and is distinct from a category of financial instrument as specified in AASB 9.4.1 paragraph 9.

(b) There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value:

Managed investment schemes: The Trust invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions

The investments are in funds managed by VFMC and are held in their Balanced Fund and Growth Fund.

Impairment of financial assets: At the end of each reporting period, the Trust assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

The allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

2024	Carrying amount as at 30 June 2024 \$'000s	Fair value measurement at end of reporting period using:		
		Level 1 ^{(a), (c), (d)} \$'000s	Level 2 ^{(a), (c)} \$'000s	Level 3 ^{(a), (c)} \$'000s
Land at fair value				
Specialised land	179,272	-	-	179,272
Total of land at fair value	179,272	-	-	179,272
Buildings at fair value				
Specialised buildings and building fit-out	290,824	-	-	290,824
Total of buildings at fair value	290,824	-	-	290,824
Cultural assets at fair value				
Works of art	44,878	-	-	44,878
Performing Arts Collection	34,697	-	-	34,697
Total of cultural assets at fair value	79,575	-	-	79,575

2023	Carrying amount as at 30 June 2023 \$'000s	Fair value measurement at end of reporting period using:		
		Level 1 ^{(a), (c), (d)} \$'000s	Level 2 ^{(a), (c)} \$'000s	Level 3 ^{(a), (c)} \$'000s
Land at fair value				
Specialised land	204,850	-	-	204,850
Total of land at fair value	204,850	-	-	204,850
Buildings at fair value				
Specialised buildings and building fit-out	268,229	-	-	268,229
Total of buildings at fair value	268,229	-	-	268,229
Cultural assets at fair value				
Works of art	44,802	-	-	44,802
Performing Arts Collection	33,852	-	-	33,852
Total of cultural assets at fair value	78,655	-	-	78,655

Note:

- (a) Classified in accordance with the fair value hierarchy.
- (b) There have been no transfers between levels during the period.
- (c) Level 1 hierarchy applies only to the financial assets with readily observable prices and with a reliable fair market value, and therefore not applicable to physical assets.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Specialised land and specialised buildings: Specialised land is 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, adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best-use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the majority of the Trust's specialised buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Trusts' specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2021.

Under Financial Reporting Direction (FRD) 103, the Trust is required to perform a fair value assessment of specialised land and specialised buildings. A cumulative movement, since the last formal revaluation, of greater than 10% requires management to undertake a managerial valuation. The Trust uses Valuer-General Victoria land and building indices to determine the movement. Indices issued by the Valuer-General Victoria indicate a change of more than 10% but less than 40% in this area, and as such, a managerial revaluation was undertaken as at 30 June 2024 which decreased the value of land by \$25.6m to \$179.3m) and increased the value of buildings and fit out by \$31.3m to \$289.5m.

However, as demolition and disposal works have been undertaken on the Theatres Building as part of the Early Works phase of Reimagining Arts Centre Melbourne, an independent valuation of the impact of these demolition and disposal works on the FY2021 valuation of the Theatres Building was undertaken by Napier & Blakeley on behalf of the Value-General Victoria. This has been reflected in the carrying value of the Theatres Building as at 30 June 2024.

Cultural assets (Works of art and the Performing Arts Collection) 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 Charles Nodrum Gallery and the Performing Arts Collection valuation was performed by Ian Armstrong (OAM). The valuation method compared recent auction prices for similar items. Factors taken into account include age, condition, importance of item and relative importance of the performer with which each item was associated.

To the extent that cultural assets do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach. The effective date of the valuation for Works of art and the Performing Arts Collection is 30 June 2021.

There were no changes in valuation techniques throughout the period to 30 June 2024.

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

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Reconciliation of Level 3 fair value movements

	Specialised land 2024 \$'000s	Specialised buildings and building fit outs 2024 \$'000s	Specialised land 2023 \$'000s	Specialised buildings and building fit outs 2023 \$'000s
Opening balance	204,850	268,229	204,850	275,229
Purchases	-	9,467	-	10,985
Gains or losses recognised in net result				
Depreciation	-	(18,182)	-	(15,511)
Disposal of property, plant & equipment ^(a)	-	(1)	-	(2,475)
Subtotal	-	(18,183)	-	(17,986)
Gains of losses recognised in other economic flows- other comprehensive income				
Revaluation	(25,578)	31,312	-	-
Subtotal	(25,578)	31,312	-	-
Closing balance	179,272	290,824	204,850	268,229

Note:

(a) This relates to the partial demolition of assets of the Trust's Theatres Building, as part of the Reimagining Arts Centre Melbourne project.

Description of significant unobservable inputs to Level 3 valuations

2024 and 2023	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised land	Market approach	Community service obligation (CSO) adjustment	30-60% (44%) ^(a)	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value.
		Direct cost per square metre	\$514-\$6,274/m ² (\$2,812)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
Specialised buildings	Current replacement cost ^(b)	Useful life of specialised buildings	30-100 years (65 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.

Note:

(a) CSO adjustments ranging from 30% to 60% were applied to reduce the market approach value for the Trust's specialised land, with the weighted average 28% reduction applied.

(b) For some heritage and iconic assets, cost may be the reproduction cost of the asset rather than the replacement cost if their service potential could only be replaced by reproducing them with the same materials.

Significant unobservable inputs have remained unchanged since June 2023.

Victorian Arts Centre Trust

Notes to the financial statements
For the financial year ended 30 June 2024

8. Other disclosures

Introduction

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

Structure

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8.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- Net gains/ losses on disposal of property, plant and equipment;
- Movement in the provision for doubtful debts;
- Net gains/ losses arising from revaluation of financial assets at fair value through the net result; and
- The revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

	2024 \$'000s	2023 \$'000s
Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property plant and equipment	(9)	(2,503)
Total net gain/(loss) on non-financial assets	(9)	(2,503)
Net gain/(loss) on financial assets		
Impairment of financial assets at amortised cost ^(a)	79	1
Net gain/loss arising from revaluation of financial assets at fair value through net result ^(b)	1,234	569
Total net gain/(loss) on financial assets	1,313	569
Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service liability ^(c)	(32)	202
Total other gains/(losses) from other economic flows	1,273	(1,732)

Note:

- (a) Including increase/(decrease) in provision for doubtful debts and bad debts from other economic flows – refer to Note 7.1.3. Loans and receivables were reclassified as financial assets at amortised cost as per AASB 9.
- (b) Revaluation of financial assets reclassified at fair value through net result as per AASB 9.
- (c) Revaluation gain/(loss) due to changes in bond rates.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

8.2 Reserves

	Note	2024 \$'000s	2023 \$'000s
Donation and endowment reserve	8.2.1		
Balance at beginning of financial year		24,104	22,019
Fair value adjustment to financial assets transferred		1,235	569
Bequests and endowment funds received		89	554
Net donations and investment income received		3,397	3,518
Donations received for capital purposes		5,263	1,826
Donations and endowment distributions		(10,901)	(4,382)
Balance at end of financial year		23,187	24,104
Asset revaluation surplus	8.2.2		
Balance at beginning of financial year		335,351	335,351
Revaluation (decrements)/increments		5,734	-
Balance at end of financial year		341,085	335,351
Net changes in reserves		4,817	2,085

8.2.1 Donation and endowment reserve

Represents accumulated revenue received from donations, bequests, investment income and similar sources which is dedicated to be spent on the Trust's programming activities and on the Reimagining Arts Centre Melbourne project.

8.2.2 Asset revaluation surplus

Represents increments arising from the periodic revaluation of land, building, plant and machinery and cultural assets.

8.3 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994* the following disclosures are made regarding responsible persons for the reporting period.

Responsible Minister

Mr Steve Dimopoulos MP, Minister for Creative Industries (to September 2023)

Mr Colin Brooks MP, Minister for Creative Industries (from September 2023)

Responsible Persons

Ian Carson AM

Professor Kerry Arabena (to 17 October 2023)

Paul Barker

Paul Bonnici (from 29 August 2023)

Caroline Bowditch (from 28 November 2023)

Greta Bradman

Leigh Johns OAM

Helen Silver AO (to 29 March 2024)

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

All members of the Trust are appointed by the Governor in Council. They do not receive remuneration for services provided to the Trust in their role as Trustees, although they are eligible to be reimbursed for out of pocket expenses. See Note 8.5 for related party transactions.

Accountable Officer

Karen Quinlan AM

Remuneration

The remuneration of the Accountable Officer was in the range of \$410,000 - \$420,000 (FY2023: \$400,000 - \$410,000).

Amounts relating to the Minister are reported in the financial statements of the State's Annual Financial Report.

8.4 Remuneration of executives

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

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

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

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

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

Termination benefits include termination of employment payments, such as severance packages.

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 State's annual financial report.

Remuneration of executive officers (including Key Management Personnel disclosed in Note 8.5)	Total remuneration	
	2024 \$'000s	2023 \$'000s
Short-term employee benefits	1,105	1,462
Post-employment benefits	118	145
Other long-term benefits	19	33
Termination benefits	208	-
Total remuneration ^(a)	1,451	1,640
Total number of executives	8	7
Total annualised employee equivalents ^(b)	4.7	6.4

Note:

- (a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.5).
- (b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

8.5 Related parties

The Trust is a Victorian Government statutory authority of Creative Victoria, a division of the Department of Jobs, Skills, Industry & Regions.

Related parties of the Trust 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.

Key management personnel of the Trust includes the Portfolio Minister, the Minister for Creative Industries, all cabinet ministers and their close family members, members of the Trust and members of the Senior Executive Team.

Name of the KMP	Role
Ian Carson AM	President of the Trust
Professor Kerry Arabena (to 17 October 2023)	Trustee
Paul Barker	Trustee
Paul Bonnici (from 29 August 2023)	Trustee
Caroline Bowditch (from 28 November 2023)	Trustee
Greta Bradman	Trustee
Leigh Johns OAM	Trustee
Helen Silver AO (to 29 March 2024)	Trustee
Karen Quinlan AM	CEO
Tammy Willenberg (from 11 September 2023)	Deputy CEO
Leanne Lawrence (to 5 September 2023)	Executive
Deirdre Blythe (to 31 August 2023)	Executive
Fiona Poletti (to 29 September 2023)	Executive
Melanie Smith	Executive
Beau Vigushin (to 13 October 2023)	Executive
Troy Walsh	Executive
Richard Zimmerman	Executive

Compensation of KMPs ^(a)	2024 \$'000s	2023 \$'000s
Short-term employee benefits	1,495	1,839
Post-employment benefits	145	171
Other long-term benefits	21	36
Termination benefits	208	-
Total	1,870	2,046

Note:

(a) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.4).

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Significant transactions with government-related entities

In FY2024, the Trust received operating funding of \$31.4m (FY2023: \$34.6m) and capital funding of \$80.7m (FY2023: \$30.3m) from the Department of Jobs, Skills, Industry & Regions.

The Trust also had the following transactions with other State Government entities:

- Funding for operating costs related to Reimagining Arts Centre Melbourne of \$15.5m (FY2023: \$9.6m) from the Melbourne Arts Precinct Corporation;
- Payments to the Melbourne Arts Precinct Corporation of \$6.5m (FY2023: \$Nil) of philanthropic funds raised by the Trust for Reimagining Arts Centre Melbourne;
- Payments to Development Victoria of \$1.8m (FY2023: \$Nil) relating to asbestos removal. The Trust received funding to cover all asbestos removal from the Victorian Asbestos Eradication Agency;
- Funding for programming activities of \$0.1m (FY2023: \$0.8m) from the Department of Education and Training.

During the year, the Trust had the following transactions with State Government related entities as part of usual business activities, with receipts of \$2.1m (FY2023: \$2.5m) and payments of \$0.5m (FY2023: \$1.4m):

- Receipts for shared infrastructure at cost from the National Gallery of Victoria (NGV);
- Receipts for venue hire and related services from the Department of Premier and Cabinet, the Department of Families, Fairness and Housing, the Emergency Services Telecommunications Authority, Vic Health and Worksafe Victoria;
- Payments to South East Water Corporation for water and sewerage services;
- Payment for insurance to Victorian Managed Insurance Authority (VMIA);
- Payments for salary packaged public transport to Public Transport Victoria;
- Payments for rental to Public Records Office Victoria (PROV);
- Payments for marketing services to Visit Victoria.

Transactions and balances with key management personnel and other related parties

Paul Barker is a board member of the Melbourne Arts Precinct Corporation (MAP Co), from which the Trust received \$15.5m of funding for the Reimagining Arts Centre Melbourne project and the Trust paid \$6.5m relating to philanthropic funding raised for the same project in FY2024.

No other transactions have occurred between KMP and their related parties that are considered material for disclosure. In this context, transactions are only disclosed when they are considered necessary to draw attention to the possibility that the Trust's financial position and profit or loss may have been affected by the existence of related parties, and by transactions and outstanding balances, including commitments, with such parties.

8.6 Remuneration of auditors

	2024 \$'000s	2023 \$'000s
Victorian Auditor-General's Office		
Audit of the financial statements	58	56
Total remuneration of auditors	58	56

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

8.7 Subsequent events

There are no subsequent events for the financial year ended 30 June 2024.

8.8 Other accounting policies

Contributions by owners

Consistent with the requirements of *AASB 1004 Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Trust.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Foreign currency balances/transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction or rate as per hedging contract in line with the Trust's policy. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period. Non-monetary assets carried at fair value that are denominated in foreign currencies are translated to the functional currency at the rates prevailing at the date when the fair value was determined.

Foreign currency translation differences are recognised in other economic flows in the comprehensive operating statement and accumulated in a separate component of equity, in the period in which they arise.

8.9 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2023-24 reporting period. These accounting standards have not been applied to the Trust's financial statements.

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

AASB 2022-10 amends AASB 13 *Fair Value Measurement* by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- Specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under *AASB 5 Non-current Assets Held for Sale and Discontinued Operations* or if it is highly probable that it will be used for an alternative purpose;
- Clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;
- Specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and
- Provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset (including site preparation costs) and identification of economic obsolescence.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

Management has performed a preliminary assessment of the impact of this amendment and has identified total demolition costs of \$24.2m incurred in the RACM project which will be adjusted for in FY2025. Based on this preliminary assessment, it is expected that the value of capital Work in Progress will increase by \$24.2m and the accumulated deficit will decrease by the same amount in FY2025.

AASB 17 Insurance Contracts, AASB 2022-8 Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments and AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector

AASB 17 replaces AASB 4 *Insurance Contracts*, AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts* for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.

AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

The Trust is in the process of analysing the impacts of the new and revised accounting standards. However, it is not anticipated that they will have a material impact on the financial statements in the period of initial application.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

8.10 Glossary of technical terms

The following is a summary of the major technical terms used in this report.

Amortisation is the expense that results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an 'other economic flow'.

Borrowings refers to interest-bearing liabilities.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Comprehensive result is the amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

Financial asset is any asset that is either:

- Cash
- An equity instrument of another entity
- A contractual right:
 - To receive cash or another financial asset from another entity; or
 - To exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity,
- A contract that will or may be settled in the entity's own equity instruments and is either:
 - A non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Financial liability is any liability that is either:

- A contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity
- A contract that will or may be settled in the entity's own equity instruments and is either:
 - A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements comprise:

- A balance sheet as at the end of the period
- A comprehensive operating statement for the period
- A statement of changes in equity for the period
- A cash flow statement for the period
- Notes, comprising a summary of significant accounting policies and other explanatory information
- Comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *presentation of financial statements*
- A statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

General government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those that are mainly non-market in nature, those that are largely for collective consumption by the community and those that involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net worth is calculated as assets less liabilities, which is an economic measure of wealth.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as 'other non-owner movements in equity'.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

Victorian Arts Centre Trust

Notes to the financial statements For the financial year ended 30 June 2024

Non-produced assets are assets needed for production that have not themselves been produced. They include land and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced.

Operating result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner movements in equity'. Refer also to 'net result'.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non produced) from their use or removal.

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films and research and development costs (which does not include the start-up costs associated with capital projects).

Receivables include amounts owing from government through appropriation receivable, short and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows into an entity such as depreciation, where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the Government.



Audience at Angélique Kidjo concert at Hamer Hall. Photo: Michael Pham.

Administrative reporting requirements

Public sector values and employment principles

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity.

The Trust has policies and practices that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. The Trust has implemented policies, training and other processes to advise its employees on how to avoid conflicts of interest, how to respond to offers of gifts and how it deals with misconduct.

The Trust is committed to a merit-based recruitment and selection process that ensures all positions are remunerated at salaries that are appropriate to their level of responsibilities and is compliant with the *Equal Opportunity Act 2010*.

Occupational health and safety

The Trust recognises its role in providing a healthy, safe and secure environment for Arts Centre Melbourne team members and all other users of venues and facilities including hirers, tenants, contractors, patrons and public. In FY2024, we continued our focus on workplace health and safety whilst managing change and OHS impacts from the RACM and MAPT project construction works.

The OHS Committee, with its Health and Safety Representatives from across the organisation, has continued to support health, safety and wellbeing at Arts Centre Melbourne through representation and the review of safety policies and procedures. This Committee and the OHS team help to maintain our high levels of incident, near miss and hazard reporting, which ensure the provision of early intervention to team members in the form of support, access to medical treatment and suitable work arrangements.

Arts Centre Melbourne's strong commitment to health, safety and wellbeing is demonstrated through our WorkCover premium being well below the industry rate. Our adopted OHS KPIs enable the measurement of OHS effectiveness at Arts Centre Melbourne and provide a valuable tool in the strategic management of these issues. Results for the year are outlined in the following table.

Category	KPI	FY2024	FY2023	FY2022
Management Commitment	Evidence of OHS Policy statement, OHS objectives, regular reporting to senior management of OHS and OHS plans	Yes	Yes	Yes
Consultation and Participation	Evidence of agreed structure of designated workgroups (DWG), health and safety representatives (HSRs) and Issue Resolution Procedures	Yes	Yes	Yes
Incident Reporting	Number of team member incidents per 100 full-time equivalent team members	18.4	19.4	12.6
	Number of visitor incidents per 100 visitors	0.018	0.032	0.031
	Number of hazards per 100 full-time equivalent team members	24.5	42.5	90.1
Workers Compensation	Number of standard claims per 100 full-time equivalent team members	2.18	1.29	1.37
	Number of lost time standard claims per 100 full-time equivalent team members	1.09	0.37	0.59
	Average cost per standard claim ¹	\$19,252	\$10,948	\$96,053
	Number of claims exceeding 13 weeks	1	2	3
	Return to work ²	96%	98%	98.5%

1. Average cost per standard claim for the year (including payments to date and an estimate of outstanding claim costs as advised by WorkSafe).

2. Percentage of injured team members that returned to work in less than 10 days.

Comparative workforce data

The following table discloses the head count and full-time staff equivalent (FTE) of all active employees of the Trust, employed in the last full pay period in June of the current reporting period (FY2024), and in the last full pay period in June of the previous reporting period (FY2023).

These figures may not be representative of employment levels over the course of each financial year due to the seasonality of Arts Centre Melbourne's events profile and the resulting variability in labour requirements. All employees have been correctly classified in workforce data collections as outlined in the table below.

Details of employment levels in June 2024

	All employees		Ongoing			Variable-time ¹		Fixed term and casual		
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	
Demographic data	Gender	634	445.7	257	22	273.5	85	52.4	270	119.9
	Female	353	238.5	133	20	147.9	39	23.1	161	67.5
	Male	274	200.8	120	2	121.6	44	27.8	108	51.4
	Self-described	7	6.4	4	-	4.0	2	1.4	1	1.0
	Age	634	445.7	257	22	273.5	85	52.4	270	119.9
	15-24	106	39.6	10	-	10.0	10	5.8	86	23.8
	25-34	165	126.1	64	5	67.9	29	18.0	67	40.2
	35-44	148	114.8	73	9	8.0	19	12.1	47	22.7
	45-54	129	100.7	66	6	70.4	12	7.6	45	22.8
	55-64	63	50.5	36	2	37.2	9	5.6	16	7.7
65+	23	14.1	8	-	8.0	6	3.4	9	2.7	
Classification data	Administrative, support & managerial	620	431.7	248	22	264.5	85	52.4	265	114.9
	Administrative, functional and technical support	303	136.5	39	-	39.0	60	35.5	204	62.0
	Supervisory, base-level professional and senior administrative	155	137.2	91	12	99.6	25	16.9	27	20.7
	Managerial, supervisory and professional	165	158.1	118	10	125.9	0	0.00	34	32.2
	Senior employees	14	14.0	9	-	9.0	-	-	5	5.0
	Strategic and professional leadership	9	9.0	9	-	9.0	-	-	-	-
	Executives	5	5.0	-	-	-	-	-	5	5.0
	Total employees	634	445.7	257	22	273.5	85	52.4	270	119.9

1. Variable-time employment is a form of flexible secure employment which may be ongoing or fixed term and is not casual employment. A variable-time employee is engaged under equivalent conditions to non-casual employees performing the same work, except that they are engaged to work a minimum guaranteed number of ordinary time hours within a specified period.

Details of employment levels in June 2023

	All employees		Ongoing			Variable-time ¹		Fixed term and casual		
	Number (headcount)	FTE	Full-time (headcount)	Part-time (headcount)	FTE	Number (headcount)	FTE	Number (headcount)	FTE	
Demographic data	Gender	774	541.8	267	23	283.3	101	61.7	383	196.8
	Female	446	302.7	145	20	159.1	47	27.2	234	116.4
	Male	314	230.2	118	3	120.2	51	32.4	142	77.6
	Self-described	14	8.9	4	-	4.0	3	2.1	7	2.9
	Age	774	541.8	267	23	283.3	101	61.7	383	196.8
	15-24	146	64.9	7	-	7.0	11	6.3	128	51.6
	25-34	218	153.1	66	6	70.5	42	25.2	104	57.2
	35-44	166	135.3	78	10	85.2	17	10.7	61	39.4
	45-54	139	109.7	68	6	72.2	14	9.0	51	28.5
	55-64	79	60.5	39	1	39.4	10	6.0	29	15.1
65+	26	18.3	9	-	9.0	7	4.2	10	5.1	
Classification data	Administrative, support & managerial	758	525.8	259	23	275.3	101	61.7	375	188.8
	Administrative, functional and technical support	424	213.8	41	0	41.0	73	43.2	310	129.6
	Supervisory, base-level professional and senior administrative	165	148.5	88	12	96.4	27	17.8	38	34.3
	Managerial, supervisory and professional	169	163.6	130	11	138.0	1	0.6	27	25.0
	Senior employees	16	16.0	8	-	8.0	-	-	8	8.0
	Strategic and professional leadership	8	8.0	8	-	8.0	-	-	-	-
	Executives	8	8.0	-	-	-	-	-	8	8.0
	Total employees	774	541.8	267	23	283.3	101	61.7	383	196.8

1. Variable-time employment is a form of flexible secure employment which may be ongoing or fixed term and is not casual employment. A variable-time employee is engaged under equivalent conditions to non-casual employees performing the same work, except that they are engaged to work a minimum guaranteed number of ordinary time hours within a specified period.

Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	Senior employees
< \$200,000	-	2
\$200,000 – \$219,999	2	7
\$220,000 – \$239,999	-	-
\$240,000 – \$259,999	-	-
\$260,000 – \$279,999	-	-
\$280,000 – \$299,999	1	-
\$300,000 – \$319,999	1	-
\$320,000 – \$339,999	-	-
\$340,000 – \$359,999	-	-
\$360,000 – \$379,999	-	-
\$380,000 – \$399,999	-	-
\$400,000 – \$419,999	1	-
Total	5	9

The salaries reported above are for the full financial year, at a 1-FTE rate, and exclude superannuation.

Workforce Inclusion – Gender Equality Action Plan

The Trust is continually working towards a working environment where equity and inclusion are valued, and our workforce reflects the communities we serve.

We are pleased to report the following progress against Arts Centre Melbourne’s Gender Equality Action Plan (GEAP):

- More than 40% of action items are currently in progress.
- Almost 12% of action items are ongoing with continuous improvement.
- More than 35% of action items are now complete.
- More than 3,000 pronoun pins and Pride lanyards have been distributed to our team members and stakeholders.
- Five changes have been made to our employee database to expand our data collection capability. A further 10 changes are now in progress to build a more intersectional understanding of our workforce.
- Eleven staff bathrooms have been converted to all gender bathrooms. Six sets of backstage facilities can now be converted between gendered and all gender, based on presenter requirements.
- The GLADA (Gender, LGBTQIA+, Age and Disability Access) Employee Reference Group continues to meet and current has representation from five different business units.
- New content and resources continually added to the Equity & Inclusion Hub on the organisation’s intranet to encourage conversations about equity and inclusion.
- Fifty-five items of equity and inclusion-related communication have been shared with our team, raising awareness across a wide range of diversity dimensions. These communications have included emails, social media posts, posters and training and engagement offerings.
- We have implemented a new Equity and Inclusion hub on our public website, making our GEAP easier to find and raising the profile of our equity and inclusion commitments.

Our first Gender Equality Progress Report was submitted to the Commission for Gender Equality in the Public Sector in February 2024. This report assesses our progress against the action items in our GEAP and against the seven key gender equality indicators. It is currently being assessed for compliance and is expected to be released to our team and the public in FY2025.

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with disability and recognises that this requires support across the government sector and within the community.

The Trust has complied with its obligations under the *Disability Act 2006* to prepare a Disability Action Plan, which Arts Centre Melbourne calls a Disability, Equity and Inclusion Plan.

The four focus areas of the Disability, Equity and Inclusion Plan align with the four goals of the *Disability Act 2006*:

1. Achieving tangible changes in attitudes and practices which discriminate against people with disability.
2. Reducing barriers to people with disability obtaining and maintaining employment.
3. Reducing barriers to people with disability accessing goods, services, and facilities.
4. Promoting inclusion and participation in the community of people with disability.

We have now completed our first comprehensive Disability, Equity and Inclusion Plan, containing action items and timelines.

To develop our plan, we held extensive consultations with almost 400 internal and external stakeholders in the first half of FY2024. These consultations included interviews, focus groups, staff engagement opportunities and a survey. A wide range of artists, arts companies, service providers, team members, advocates and audience shared their feedback, including a large number of people with lived experience of disability. All the action items in the upcoming plan came out of this consultation and have been endorsed by teams from across the organisation. We will release our new plan

in FY2025. Arts Centre Melbourne is committed to contributing to change both inside and outside our walls. Equity and inclusion is not about changing the core function of Arts Centre Melbourne but changing the way that we interact with those around us and in doing so, embodying the principle of “nothing about us without us”. This plan will lay the foundations we need to provide a welcoming, safe gathering place where all Victorians can feel a sense of belonging, both on and off our stages.

As required by the *Disability Act 2006*, the Trust reports annually on the implementation of its Disability, Equity and Inclusion Plan in its annual report with the following initiatives and outcomes achieved in FY2024:

Achieving tangible changes in attitudes and practices that discriminate against people with a disability

In July of 2023 we commissioned a series of responses from artists with disability on the topic of Disability Pride. These responses are available via the Equity & Inclusion Hub on our intranet. They give our team an important insight into lived experiences of disability and expand awareness and understanding.

The Production and Customer Service teams have now both included equity and inclusion information in their standard induction programs. This information includes practical tips on how team members can support equity and access, and links to our major equity and inclusion plans to raise awareness of our commitments.

In the lead-up to our disability-led arts initiative *Alter State 2024*, Arts Centre Melbourne has worked with Accessible Arts, Arts Access Victoria, and independent access consultants to provide team training opportunities. These training sessions uplift access capability and ensure that we can welcome a wide variety of audiences.

Reducing barriers to persons with a disability obtaining and maintaining employment

The presence of Equity and Inclusion as an organisational value reflects Arts Centre Melbourne's commitment to fairness and justice as we continue to work towards systemic and cultural change across our ways of working.

Recommendations from Arts Centre Melbourne's first Equity Impact Assessment were recently included in the organisation's job ad template. These changes reduce barriers for job applicants, highlight our focus on equity and inclusion, and encourage hiring managers to use plain language.

In February 2024 the Customer Service Recruitment Project delivered a pilot training session with our Ticketing team. The training session focussed on reducing bias and increasing access across all stages in the recruitment process.

In June 2024, an updated and expanded Team Member Benefits & Information Booklet was rolled out to new team members and made available to our existing team. The new booklet is accessibly formatted, user-focussed and written in plain language.

Arts Centre Melbourne's bespoke Everyday Leader Program continues to upskill the organisation's People Leaders in the Inclusive Leadership Framework. This framework focuses on leading with humility, curiosity, cultural intelligence, and a visible commitment to equity and inclusion. More than 100 team members have now taken part in the program, which is uniquely designed to develop excellence in both People and Operational Leadership in a practical and supportive way. Content includes psychological safety, performance coaching and feedback.

In June 2024, a pilot access rider form was offered to Alter State 2024 artists engaged by Arts Centre Melbourne. Access riders allow an artist to outline their access requirements and preferred ways of working. This information is then used to provide a safer and more welcoming working environment.

Reducing barriers to accessing goods, services and facilities

To gauge audience experiences of our ticketing purchase path and the access services we provide, we expanded our post-show survey. The new questions will make sure we have a steady flow of information about what is working for our visitors, and what opportunities we have for growth in the future.

In FY2024, Arts Centre Melbourne paired with Resident Companies Melbourne Theatre Company and Melbourne Symphony Orchestra, along with Circa, QPAC's Out of the Box Festival, Darlinghurst Theatre Company, and Midsumma Festival to present 7 relaxed performances that reached almost 4,000 visitors. *Overflow*, a trans-led production that was co-presented by Arts Centre Melbourne, Darlinghurst Theatre Company and Midsumma Festival, offered a relaxed performance, Auslan interpretation, audio description and a tactile tour. Visitor feedback for the production included "brilliantly accessible and the best neurodivergent-catered event I have been to by far".

Promoting inclusion and participation in the community

As part of our commitment to greater awareness and education, Arts Centre Melbourne continues to offer its bespoke Disability Awareness module to all team members. This module ensures a base level understanding across the team of the Social Model of Disability, the importance of combatting ableism, and the practical things we can do to build accessibility into 'business as usual'.

In March 2024, our Programming team delivered the 'Relaxed Performances and Beyond' forum. The forum's aim was to support industry development in accessible and inclusive arts practice and celebrate the work of neurodivergent artists.

Our Creative Learning team's PLAY program also presented Auslan Stage Left's *Live Music Interpreting* workshop, and Vitae Veritas' *Disrupting Sighted Ableism* series of panels and workshops. These events support skills development in creative access services.

As at 30 June 2024, Arts Centre Melbourne is preparing for Alter State 2024, with a focus on deepening our relationships with the Arts and Disability sector, forging partnerships that prioritise d/Deaf and Disability cultural leadership, and increasing employment of d/Deaf and Disabled artists and arts professionals. This year's Alter State will engage more than 100 d/Deaf and Disabled artists, including more than 15 First Nations d/Deaf and Disabled practitioners. Seven d/Deaf and Disability-led companies will present their work, including Arts Access Victoria, d/Deaf Indigenous Dance Group, Weave Movement Theatre, Flow Festival Australia and Restless Dance Theatre. Alliances for the upcoming program include University of Melbourne Victorian College of the Arts, RMIT, Monash University, National Gallery of Victoria, ACMI, Arts House, MAV, YIRRAMBOI, Melbourne Fringe and Footscray Community Arts.

Local Jobs First

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

Public sector agencies are required to apply the Local Jobs First Policy in all projects valued at \$3 million or more in metropolitan Melbourne or for state-wide projects, or \$1 million or more for projects in regional Victoria.

The MPSG policy applies to all construction projects valued at \$20 million or more.

During FY2024 Arts Centre Melbourne did not commence or complete any Local Jobs First standard projects or Local Jobs First strategic projects.

Details of government advertising expenditure

In FY2024, there was one advertising campaign with a total media spend of \$100,000 or greater (exclusive of GST). The details of the campaign are outlined below.

Campaigns with a media spend of \$100,000 or greater

Name of campaign; campaign summary (start/end date);	Advertising (media) expenditure FY2024 (excluding GST)	Creative and campaign development expenditure FY2024 (excluding GST)	Research and evaluation expenditure FY2024 (excluding GST)	Post- campaign evaluation expenditure FY2024 (excluding GST)	Print and collateral expenditure FY2024 (excluding GST)	Other campaign expenditure FY2024 (excluding GST)	Total campaign expenditure FY2024 (excluding GST)
Circus 1903	Approved: \$230,000	Planned: \$0	Planned: \$0	Planned: \$0	Planned: \$30,000	Planned: \$35,000	Planned: \$295,000
A four-month campaign to drive tickets sales to a family-friendly summer school holiday blockbuster event.	Actual: \$228,365	Actual: \$0	Actual: \$0	Actual: \$0	Actual: \$30,339	Actual: \$35,950	Actual: \$294,654
Sep 2023 – Jan 2024							

Consultancy expenditure

Details of consultancies (valued at \$10,000 or greater)

In FY2024, there were two consultancy engagements where the total fees payable were \$10,000 or greater. The total expenditure incurred during FY2024 in relation to these consultancies was \$52,800 (excluding GST). Details of individual consultancies can be viewed at artscentremelbourne.com.au/annualreport. In FY2024, there were no consultancies with a value of less than \$10,000.

Review and studies expenditure

During FY2024, there were three reviews and studies undertaken with the total cost of \$44,754. Details of individual reviews and studies are outlined below.

Name of review	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excluding GST)	Final cost if completed (excluding GST)	Publicly available (Y/N) and URL
Diverse Audience Research	To develop diverse audiences through Arts Centre Melbourne's offer	Undertake qualitative and quantitative research	To understand and identify actions to develop and engage diverse audiences	\$3,329	\$38,360	N
Consultation and Participation	To measure Arts Centre Melbourne brand health and Victorian consumer perceptions of Arts Centre Melbourne	Undertake quantitative research	Improved marketing communications and activity to increase existing and potential Arts Centre Melbourne customers, and develop brand benchmark measures	\$34,125	\$34,125	N
Electric 2023 Economics Analysis	Mandatory requirement for funding acquittal	Project evaluation	Compliance and accountability to provider of funding	\$7,300	\$7,300	N

Information and communication technology expenditure

Details of information and communication technology (ICT) expenditure

For the FY2024 reporting period, the Trust had a total ICT expenditure of \$7.5 million, with the details shown below.

All operational ICT expenditure (\$'000s)	ICT expenditure related to projects to create or enhance ICT capabilities (\$'000s)		
	Non-Business-as-Usual (non-BAU) ICT expenditure (total \$'000s = operational expenditure and capital expenditure)	Operational expenditure	Capital expenditure
5,072	2,401	2,381	20

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

Disclosure of major contracts

The Trust did not enter into any major contracts with a value of \$10 million or more in FY2024.

Freedom of information

The *Freedom of Information Act 1982* (Vic) ("FOI Act") allows the public a right of access to documents held by the Trust. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, Ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by the Trust. This comprises documents both created by the Trust or supplied to the Trust by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the Trust is available on the Trust's website under its Part II Information Statement: artscentremelbourne.com.au/freedom-of-information

The FOI Act allows the Trust to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to the Trust in-confidence and information that is confidential under another Act.

Under the FOI Act, the FOI processing time for requests received is 30 days. However, when external consultation is required under ss29,

29A, 31, 31A, 33, 34 or 35, a 15-day automatic extension applies. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied by a decision made by the Trust, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought. An application fee of \$32.70 applies. Access charges may be payable if the document pool is large and the search for material time consuming.

Requests for documents in the possession of Arts Centre Melbourne should be addressed to:

Freedom of Information Officer
Arts Centre Melbourne
100 St Kilda Rd
Melbourne 3004
foi@artscentremelbourne.com.au

FOI statistics/timeliness

In the 12 months ending 30 June 2024, the Trust did not receive any FOI requests.

As at 30 June 2024, one FOI request received in FY2023 remained under review by OVIC.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act; regulations made under the FOI Act; and ovic.vic.gov.au.

Compliance with the *Building Act 1993*

The Trust continues to comply with the relevant guidelines under the *Building Act 1993*. To ensure compliance, third party surveyors are

engaged prior to commencement of works where building permits are required and also following the construction of works, to satisfy compliance with building regulations.

During FY2024 the following building type activities were undertaken:

- Five (5) Building Permits issued.
- Three (3) Final Inspections & Occupancy Certificates issued.
- Three (3) Building Related Projects valued more than \$50,000.
- Nil (0) buildings brought into conformity as all buildings conform to the *Building Act 1993*.
- Nil (0) emergency orders or building orders issued in relation to buildings.

All buildings of the Trust were compliant with the *Building Act 1993*. The Trust had mechanisms in place to ensure inspections, reporting, scheduling and carrying out of maintenance occurred and that the buildings comply with building standards.

Competitive Neutrality Policy

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, that any advantage arising from government ownership is accounted for if it is not in the public interest. Government businesses are required to set a competitively neutral price, which accounts for any net advantage that comes from public ownership. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. The policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The Trust is committed to the ongoing compliance with the requirements of the competitive neutrality principles and is satisfied that its activities comply with the Victorian Government's National Competition Policy including compliance with the requirements of the policy statement, *Competitive Neutrality Policy Victoria* and any subsequent reforms.

Social Procurement Framework

The Social Procurement Framework (SPF) works to leverage the Victorian Government's buying power to create jobs and skills-based training in areas of disadvantage. It seeks to address systematic inequalities and improve environmental outcomes in local communities. Arts Centre Melbourne is committed to advancing social and sustainable objectives in accordance with the SPF. The SPF objectives prioritised during the year were:

- opportunities for Victorian Aboriginal people
- environmentally sustainable outputs
- environmentally sustainable business practices.

In FY2024, Arts Centre Melbourne has made progress towards its SPF objectives through:

- Updating our procurement procedures to make it mandatory for all procurement leads undertaking a Request for Quote exercise to investigate whether a social benefit supplier could provide the required goods or services, and if so, inviting that supplier to participate in the exercise. This requirement is in addition to the existing mandatory weighting of a minimum of 5%–10% of evaluation score to SPF-related criteria in all exercises where an Invitation to Supply is utilised, and will encourage the use of social benefit suppliers for lower value, infrequent procurements.
- Procuring 100% green energy to power our buildings and activities.

Arts Centre Melbourne engaged 13 social enterprises and Aboriginal businesses in FY2024, spending a total of \$148,355.

Compliance with the *Public Interest Disclosures Act 2012*

The *Public Interest Disclosures Act 2012* ("Act") encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Trust is committed to the aims and objectives of the Act. In particular, the Trust does not tolerate improper conduct by its staff nor the taking of reprisals against those who come forward to disclose such conduct.

Reporting procedures

The Trust is not a public body to which disclosures under the Act may be made. Disclosures of improper conduct or detrimental action relating to the Trust 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 ibac.vic.gov.au

Further information

The Trust's Public Interest Disclosure Guidelines outline the procedures of the Trust for protecting people who make public interest disclosures from detrimental action by the Trust or its staff. This is available on the Trust's website: artscentremelbourne.com.au/about-us/how-we-work/our-policies

Disclosure of Emergency Procurement

In FY2024, the Trust activated Emergency Procurement on one occasion in accordance with the requirements of government policy and accompanying guidelines. One new contract valued at or more than \$100,000 (GST inclusive), was awarded in connection with the emergency. Details of the Trust's emergency procurements are shown below.

Nature of emergency	Date of activation	Summary of goods and services procured under new contracts	Total spend on goods and services in response to the emergency	Number of new contracts awarded valued at \$100,000 (incl. GST) or more
Data Breach	2 December 2023	Call centre for employees and customers Subscription for credit and dark web monitoring services for employees Consulting support New firewalls and VPN solution	\$284,046¹	1

1. Total of all expenditure, including contracts valued at less than and over \$100,000.

Disclosure of procurement complaints

Under the Governance Policy of the Victorian Government Purchasing Board (VGPB), the Trust must disclose any formal complaints relating to the procurement of goods and services received through its procurement complaints management system. The Trust did not receive any such complaints in FY2024.

Environmental reporting

Arts Centre Melbourne is committed to environmental sustainability in its operations. Sustainability and greenhouse gas emissions reduction form core parts of Arts Centre Melbourne's corporate strategy. Specifically, in FY2024 Arts Centre Melbourne moved to 100% renewable energy. Arts Centre Melbourne's strategy reflects legislation, policies, and strategies, including the *Climate Change Act 2017*, Victoria's Climate Change Strategy, Whole of Victorian Government emissions reduction pledge, Victorian Renewable Energy Target, Recycling Victoria, and *Creative State 2025*.

Reporting boundary for environmental data

All the operations and activities of Arts Centre Melbourne are included within the organisational boundary for this reporting period, namely:

- Theatres Building
- Hamer Hall
- Sidney Myer Music Bowl

Greenhouse gas emissions

Arts Centre Melbourne reports its greenhouse gas (GHG) emissions broken down into emissions "scopes" consistent with national and international reporting standards.

- Scope 1 emission sources include fuel use in buildings, heating and cooling and car fleet.
- Scope 2 emission sources include electricity, procured under the State Procurement Contract.
- Scope 3 emission sources include waste, water and air travel.

The period from FY2023 to FY2024 saw GHG emissions reduced significantly due to Arts Centre Melbourne purchasing 100% renewable electricity.

Indicator	FY2024	FY2023	FY2022
Total Scope 1 GHG emissions (Tonnes CO ² -e)	1,228.91	993.49	1,063.34
Total Scope 2 GHG emissions (Tonnes CO ² -e)	0	2,910.84	6,428.46
Total Scope 3 GHG emissions (Tonnes CO ² -e)	635.31	588.83	442.52

Electricity production and consumption

Arts Centre Melbourne continues to implement a range of energy efficiency policies across its sites to reduce electricity use. These measures include:

- continuation of installing energy efficient lighting fittings and motor where and when possible
- building management systems upgrades and the application of "machine learning" for efficiency
- adjusting set-points to heating and cooling systems to optimise electricity savings.

Total electricity use is constantly monitored by the Arts Centre Melbourne Facilities team and necessarily impacted by venue utilisation.

Indicator	FY2024	FY2023	FY2022
Total electricity consumption (MWh)	9,298	993.49	1,063.34
Purchased electricity – consolidated	9,298	2,910.84	6,428.46
Self-generated (MWh)	0	588.83	442.52
On-site electricity generated (MWh)			
Other non-renewable	0	0	0
Total electricity offsets (MWh)			
Large-scale generation certificates voluntarily retired by the entity	0	0	1,475
Greenpower	9,298	6,435	0

Stationary fuel use

Total emissions and energy used for the period from FY2023 to FY2024 data is for stationary plant including natural gas used in buildings' heating systems and diesel back-up generators for critical facilities. Arts Centre Melbourne collected data primarily through billing information from fuel suppliers. Higher usage of stationary diesel fuel is being attributed to the need to operate stand-by power for public realm services relocation works.

Indicator	FY2024	FY2023	FY2022
Total fuels used in buildings and machinery (MJ)	23,412,850	19,142,230	20,503,172
Buildings			
Natural gas	22,361,000	18,971,000	20,348,000
Machinery			
Diesel	1,051,850	171,230	155,172
GHG emissions from stationary fuel consumption (Tonnes CO²-e)	1,226.10	989.60	1,059.43

Transportation

Arts Centre Melbourne's vehicle fleet comprised four vehicles essential to support services and maintenance, of which four were internal combustion engine vehicles.

Indicator	FY2024	%	FY2023	%	FY2022	%
Road vehicles						
Internal combustion engines						
Petrol	7,976MJ	50%	19,924MJ	50%	26,153MJ	50%
Diesel/Biodiesel	15,934MJ	50%	19,803MJ		14,167MJ	50%
Tonnes Co ² -e	2.08		3.13		2.77	

Total energy use

Total energy used for the period FY2023 to FY2024 across Arts Centre Melbourne has been consistent with previous years. Of note in FY2024 is Arts Centre Melbourne is now using 100% renewable electricity.

Indicator	FY2024	FY2023	FY2022
Total energy usage from fuels (stationary and transportation) (MJ)	23,442,918	19,181,956	20,543,492
Total energy used from electricity (MJ)	33,472,292	33,670,800	28,569,600
Total energy used segmented into renewable and non-renewable sources (MJ)			
Renewable	33,472,292.4	23,166,000	19,596,810
Non-renewable	0	10,504,800	8,974,133
Units of energy used normalised by FTE	27	42	39

Sustainable buildings and infrastructure

Environmentally Sustainable Design in new buildings and infrastructure

No new buildings were built or acquired during the reporting period.

The design of new buildings constructed as part of MAPT will have a minimum 5-star Green Star Buildings certified rating.

Sustainable procurement

Arts Centre Melbourne considers sustainable procurement objectives through its implementation of the Social Procurement Framework, which establishes requirements that apply to Victorian Government departments and agencies when they procure goods, services and construction. More details of Arts Centre Melbourne's implementation of the Social Procurement Framework are contained in the relevant section of the Annual Report.

Water consumption

For the period from FY2023 to FY2024 water consumption by building use remains consistent. More usage was observed due to more building usage in Hamer Hall and at the cooling tower, with a noticeable reduction in the Theatres Building due the closure period for the RACM project.

Indicator	FY2024	FY2023	FY2022
Total water consumption by an entity (kilolitres)	39,319	43,853	30,482
Potable water consumption	30,192	35,300	23,220
Metered reused water consumption	0	0	0
Units of metered water consumed normalised by FTE	0.34k/L	0.38k/L	0.2k/L

Waste and recycling

For the period from FY2023 to FY2024 – the volume of waste returned to a more normal amount, however the Reimagining Arts Centre Melbourne project, with the closure of the State Theatre, has contributed to a lower volume.

Indicator	FY2024	%	FY2023	%	FY2022	%
Total units of waste disposed (kg and %)	276,364kg		425,664kg		355,524.40kg	
Landfill (disposal)	159.98	57.86%	179.28T	42.12%	126.39T	35.55%
Recycling/recovery (disposal)						
Food and garden organics (FOGO)	5.14T	1.86%	8.65T	2.03%	10.78T	3.03%
Cardboard	32.31T	11.69%	26.04T	6.12%	15.78T	4.44%
Percentage of office sites which are covered by dedicated collection services for						
Printer cartridges	Data not collected				0.14T	0.04%
Batteries	1.32T	0.43%			0.14T	0.04%
E-waste	0.86T	0.31%	0.33T	0.08%	0.66T	0.19%
Soft plastics	0	0	0	0	0	0
Total units of waste disposed of normalised by FTE (kg/FTE)	2.60kg	0.14%	3.647kg		3.0274kg	
Recycling rate (%)	42.11%	38.21%		58%		64%
GHG emissions associated with waste disposal (Tonnes CO²-e)	379.39T		425.58T		325.56T	
Landfill	159.98T		179.28T		126.39T	

Budget Paper 3 output reporting

	FY2024	FY2023	FY2022	FY2021	FY2020
Attendances ¹	2,131,514	2,612,024	1,272,493	430,573	2,048,065
Website visitation ²	4,939,697	5,152,621	3,063,087	1,856,535	3,966,919
Memberships	283	1,033	1,342	1,422	1,413
Volunteer hours	1,041	1,176	298	297	2,043
Student attendances at education programs	24,167	32,769	3,345	14,341	32,796
Collections storage meeting industry standard (%)	84%	78%	78%	73%	73%
Visitors satisfied with visit (%)	90%	91%	90%	93%	94%

1. Attendances represent the number of visitors to Arts Centre Melbourne including visitors to Food and Beverage and Sunday Market (this excludes car park patrons).

2. Website visitation represents the number of online visits to Arts Centre Melbourne's website.

Financial and other information retained by the Accountable Officer

The following additional information is retained by the Trust for the period covered by the Annual Report and can be accessed subject to a request in accordance with the provisions of the *Freedom of Information Act 1982*, to Arts Centre Melbourne's Freedom of Information Officer as detailed above.

- A statement that Declarations of pecuniary interests have been duly completed by all relevant officers of the Trust.
- Details of publications produced by Arts Centre Melbourne about Arts Centre Melbourne and how these can be obtained.
- Details of any major external reviews carried out on Arts Centre Melbourne.
- Details of major research and development activities undertaken by Arts Centre Melbourne.
- Details of changes in prices, fees, charges, rates and levies charged by Arts Centre Melbourne.
- Details of overseas visits undertaken, including a summary of objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by Arts Centre Melbourne to develop community awareness of Arts Centre Melbourne and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement of industrial relations within Arts Centre Melbourne and details of lost time lost through industrial accidents and disputes.
- Details of Trust committees, the purposes of each committee and the extent to which the purposes have been achieved.

- Details of all consultancies and contractors including:
 - consultants/contractors engaged
 - services provided
 - expenditure committed to for each engagement.

The following information is not relevant to the Victorian Arts Centre Trust for the reasons set out below:

- Details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary as no shares have ever been issued in Victorian Arts Centre Trust.

Subsequent events

There are no subsequent events for the financial year ended 30 June 2024.

**Attestation for financial
management compliance
with Standing Direction 5.1.4**

Victorian Arts Centre Trust Financial
Management Compliance Attestation
Statement

I, Ian Carson AM, on behalf of the Responsible
Body, certify that the Victorian Arts Centre
Trust has no material compliance deficiency
with respect to the applicable Standing
Directions under the *Financial Management Act
1994* and Instructions.



Ian Carson AM

President
Victorian Arts Centre Trust
26 August, 2024

Asset Management Accountability Framework (AMAF)

Maturity Assessment

The following sections summarise the Victorian Arts Centre Trust's assessment of maturity against the requirements of the AMAF. The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.

The Trust has assessed that it complies with 40 of the 41 requirements with the remaining requirement being "Not Applicable" as it relates to devolved or outsourced asset management activities. There are no identified material deficiencies.

Leadership and accountability

The Trust complies and is optimising its target maturity level in this category.

Planning

The Trust complies and is optimising its target maturity level in this category.

Acquisition

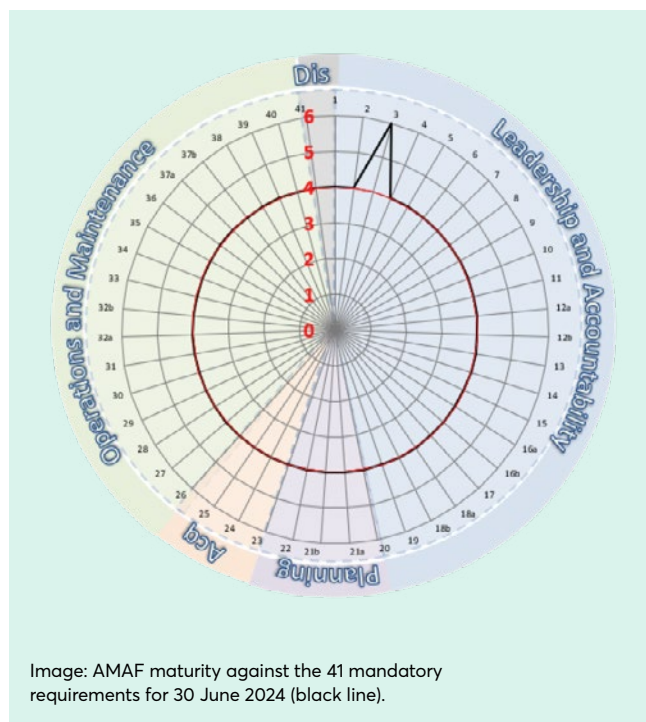
The Trust complies and is optimising its target maturity level in this category.

Operation

The Trust complies and is optimising its target maturity level in this category.

Disposal

The Trust complies and is optimising its target maturity level in this category.



Overall scale

Innocent	1
Developing	2
Applying	3
Competent	4
Leader	5
Not applicable	6

As demonstrated in the radar chart above, the Trust complies with all mandatory requirements and continues to mature its asset management practices.

Disclosure Index

The Annual Report of the Victorian Arts Centre Trust is prepared in accordance with all relevant Victorian legislation and pronouncements. This index has been prepared to facilitate identification of the organisation's compliance with statutory disclosure requirements.

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Legislation

Freedom of Information Act 1982

Building Act 1993

Public Interest Disclosures Act 2012

Disability Act 2006

Local Jobs First Act 2003

Financial Management Act 1994

Audit Act 1994

Australian Charities and Not-for-profits Commission Act 2012

* FRD is a Financial Reporting Direction issued by the Assistant Treasurer pursuant to s8 of the *Financial Management Act 1994*. Compliance with FRDs is mandatory.

** SD is a Standing Direction under the *Financial Management Act 1994*. Compliance with SDs is mandatory.

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