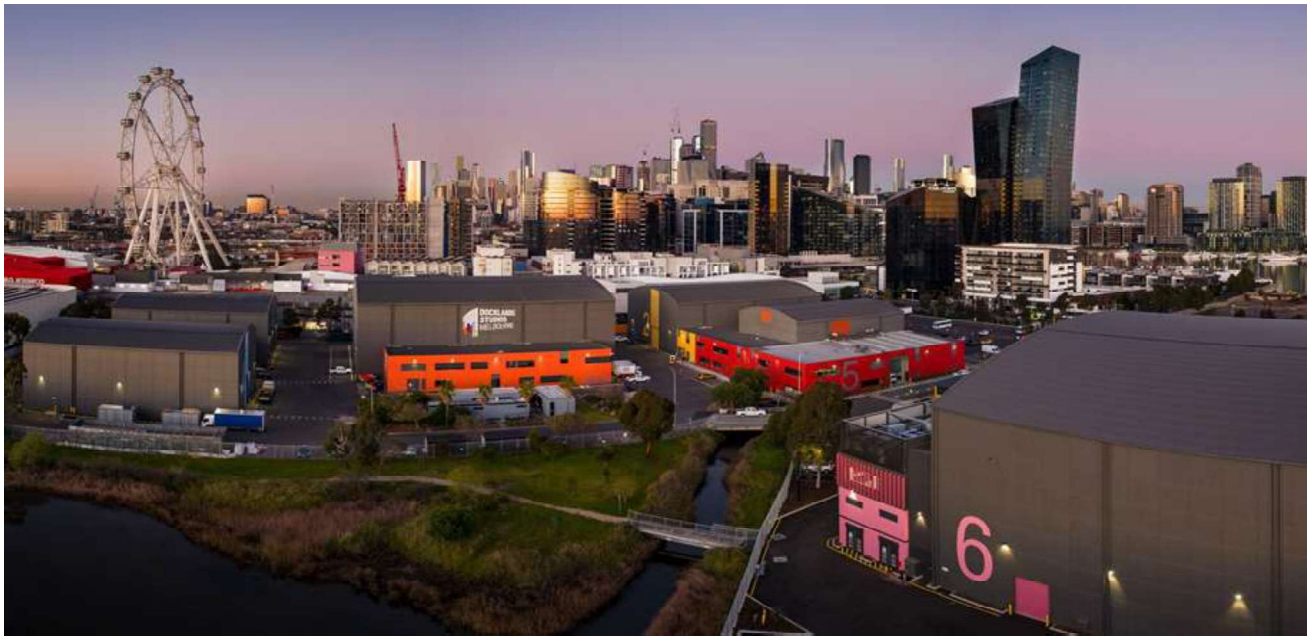
Docklands Studios Melbourne Pty Ltd

ABN 28 101 578 303

Annual Report 30 June 2026



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INTRODUCTION

This is the Annual Report of Docklands Studios Melbourne Pty Ltd ACN 101 578 303 (the Company, DSM) for 2026. The Company is a private unlisted company incorporated in Australia on 2nd August 2002 with a reporting date of 30 June.

The Annual Report has been prepared in accordance with the requirements of the *Corporations Act 2001* , *Corporations Regulations 2001* and Australian Accounting Standards and to satisfy the Company's tabling requirements under S53A of the *Financial Management Act 1994.*

A description of the nature of the Company's operation and its principal activities is included in the Directors' Report.

For enquiries in relation to the Annual Report
please call: + 61 3 8327 2000, or email to: info@dsmelbourne.com

Corporate information

ABN 28 101 578 303
ACN 101 578 303

Directors
L Coppel *Chair*
E. Burnett
R. Garnett
B. Jones
O. Wynyard Gonfond

Company Secretary
D. Argyropoulos

Registered Office and Principal Place of Business
476 Docklands Drive
Docklands, Victoria, 3008
Australia
Phone: + 61 3 8327 2000

Shareholder
State of Victoria

Solicitors
Keelins Lawyers
Level 4, 459 Little Collins Street
Melbourne, Victoria, 3000
Australia

Bankers
Westpac Banking Corporation
509 Toorak Road
Toorak, Victoria, 3142
Australia

Auditors
Victorian Auditor-General's Office
Level 31, 35 Collins Street
Melbourne, Victoria, 3000
Australia

Internal Auditors
Moore Australia
Level 44, 600 Bourke Street
Melbourne, Victoria, 3000
Australia

INTRODUCTION

Acronyms / Abbreviations

DSM	Docklands Studios Melbourne Pty Ltd. (ACN 101 578 303) The owner of the film studio assets.
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
DJSIR	Department of Jobs, Skills, Industry and Regions
FMA	*Financial Management Act 1994* , Victoria
FRD	Financial Reporting Directions issued by the Assistant Treasurer
GST	Goods and Services Tax
IFRS	International Financial Reporting Standards
VAGO	Victorian Auditor-General's Office
State	The Crown in right of the State of Victoria
EBITDA	Earnings before interest, tax, depreciation and amortisation

DIRECTORS' REPORT

The Directors submit their report for the year to 30 June 2026 and the Independent Audit Report thereon.

Directors
The names and details of the Company's directors in office during or since the end of the year and until the date of this report follow. Directors held office for the entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Louisa Coppel OAM (BA)
A business and communications strategist, Ms Coppel founded The Big Picture Strategic Services in 2006 after twenty years of working in the arts, international development and public sector. She is now called in by organisations to help with sensemaking – to set a new strategic direction or when there is a need to turn challenging content into something the world can easily understand.

Ms Coppel was head of the Melbourne Film Office for five years, during which time she secured production attraction funding and helped to develop the business case and funding for what is now Docklands Studios Melbourne. In 2025, Ms Coppel was awarded the Order of the Medal of Australia for services to the film and television industry. She is a former board member of VicScreen, the Association of Film Commissioners International (where she served as Secretary for several years), Ausfilm, Chunky Move, Strange Fruit and Camp Cooinda Inc.

Ms Coppel was appointed as Chair and Director of the Company on 1 July 2023. She is a member of the Company's Audit and Risk Committee.

Ewan Burnett (BA)
Mr Burnett has worked in the Australian film and television industry for over 40 years. He has over 25 Producer and Executive Producer credits on telemovies, series, mini-series, children's series and animation. His productions have won BAFTA, EMMY, LOGIE, AFI, ATOM and AWGIE awards. He has also successfully produced stage productions and has served on a number of boards and committees including Film Victoria and Screen Producers Australia.

Mr Burnett was appointed a Director of the Company on 4 June 2018 and is also a member of the Company's Audit and Risk Committee.

Rohan Garnett (BEc Hons)
Rohan has 30 years' senior executive experience helping companies to adapt and thrive in a changing world, focussing on business improvement and expansion. He has held high-level Australian and international management positions with Qantas, Jetstar and British Airways, and is currently Executive Manager of Asset Management for Qantas Airways. Rohan holds several non-Executive Director positions in public and private companies and is Adjunct Professor of Aviation Management at RMIT University.

Mr Garnett was appointed as a Director of the Company on 12 October 2023.

Olivier Wynyard Gonfond
Olli is a proud Dhurug man and strategic policy expert with a lifelong passion for the arts, and experience across public, private, community and regulatory sectors. He has worked with global organisations, including Apple, PwC, and SBS to deliver large-scale programs, policy frameworks and engagement initiatives that make a meaningful difference across communities and industries. With governance roles in the arts, social justice and cultural policy, Olli is committed to championing First Nations voices, inclusive storytelling and the growth of Australia's creative industries.

Mr Wynyard Gonfond was appointed as a Director of the Company on 29 July 2025.

Bethany Jones
Bethany is a film and television executive and producer with a career spanning production, distribution, and business affairs. Now COO of Mushroom Studios, she has produced acclaimed projects including the AACTA-winning Ego: The Michael Gudinski Story, Molly: The Real Thing, and Ed Sheeran: Full Circle. A former entertainment lawyer, she has held senior roles at Mushroom Pictures, Matchbox Pictures, and Princess Pictures, with credits across award-winning drama, documentary, feature films, and innovative VR projects.

Ms Jones was appointed as a Director of the Company on 29 July 2025 and is also a member of the Company's Audit and Risk Committee.

Company Secretary
Dana Argyropoulos (BEc, FGIA)
Ms Argyropoulos was appointed Company Secretary on 3 May 2023. She has extensive experience as a Company and Board Secretary of banking and insurance related entities within the private and public sectors. She holds a Bachelor of Economics and is a Fellow of the Governance Institute of Australia.

Audit and Risk Committee Chair
Kushal Shah (CA, LL.B, Executive MBA, B.Com, M.Com, CIA, Cert. in ESG)
Kushal is an experienced leader in Financial Management and Assurance, Risk and Governance, ESG and Sustainability, and AI transformation, with a career spanning executive, advisory and governance roles across Australia, Asia, and Europe. He has held senior roles with the Big4 firms and large corporates in the past, bringing deep industry insights across government, healthcare, technology, energy, logistics, manufacturing and retail sectors.

He holds several independent governance roles including as Director on the Boards of Bayside Health, Westernport Water and VITS Language Loop, and as Independent Member of the Audit, Finance & Risk Committee at VicScreen and the Melbourne Recital Centre (MRC). Kushal is also the Managing Partner of DBS Global, where he advises boards and executive teams on financial stewardship, risk culture, governance standards, ESG strategy and reporting, and AI transformation.

Interests in the shares and options of the Company and related bodies corporate
The Company is a company limited by shares. Directors do not hold any shares in the Company.

Taxation Status
The Company received a private ruling from the Australian Taxation Office (Authorization Number 90830) which states that the Company is exempt from Commonwealth income tax under section 24AM of the *Income Tax Assessment Act 1936*. The exemption commenced on 19 November 2008 and has been extended to 30 June 2026.

Dividends
No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Principal Activities
The Company's principal activity is to hire sound stages, production offices and workshops to third parties for the production of film and television programmes.

State of Affairs
There were no significant changes in the Company's state of affairs during the year.

DIRECTORS' REPORT

Operating and Financial Review

Overview

DSM maintained high levels of production, broadcast and tenancy during 2025-26. The site supported international and Victorian film and television production, broadcast activity, virtual production, commercials and screen related events.

In August 2025, the Company entered into a new 21-year Crown land lease with the State for the studio site. During the year, the Company also entered into long-term agreements with NantStudios and Gravity Media. These arrangements support ongoing use of the site for stage-based production, virtual production and broadcast activity.

DSM continued to maintain and improve the site while progressing planning for future workshop, access and support-space requirements.

Operating environment

The global screen industry continued to adjust during 2025-26. Production decisions were affected by commissioning activity, financing conditions, incentive settings and the availability of suitable production infrastructure. Competition between production jurisdictions remained strong.

In this environment, producers continued to assess the availability of sound stages alongside production offices, workshops, support facilities, technical capability, sustainability requirements and the ability of studio operators to support complex production activity.

Against this backdrop, DSM maintained activity across international and Victorian production, broadcast, virtual production, events and education during the year.

Operating performance

Activity across the site remained high during the year. Productions, tenants and other users drew on sound stages, production offices, workshops, support areas, backlot areas and virtual production facilities.

DSM continued to work with producers, production managers, tenants and industry partners to support confirmed work, manage site requirements and identify future opportunities.

The Company's final financial results, liquidity, assets and five-year financial summary are set out in the audited financial statements and related Directors' Report disclosures.

Supporting productions

DSM continued to apply its Filmmaker First approach during 2025-26. This involved working with producers, production managers, tenants and suppliers to address practical production requirements across stages, offices, workshops, support areas and site operations.

DSM also continued to apply its "Yes, and" service approach, supporting teams to identify practical options while meeting safety, operational and commercial requirements.

Production, broadcast and tenant activity

DSM supported a mix of international and Australian screen work during the year. This included feature film and television production, domestic broadcast, virtual production activity, events and client projects.

Operating and Financial Review (cont'd)

Productions and activities using Docklands Studios Melbourne facilities during the year included:

Project/activity	Format	Production company/operator
All Her Fault	Television series	Matchbox Pictures for NBCUniversal / Peacock NBCU
Insidious 6	Feature film	Blumhouse Productions
Empire City	Feature film	Highrise Productions
Play Dead	Feature film	Nocturnal Productions
Last Seen	Television series	60/40 Films and Werner Productions / Apple TV+
Stake Out	Feature film	Princess Pictures
Hotel Hotel Hotel Hotel	Feature film	Princess Pictures
Fog City	Feature film	Independent Company
Millionaire Hot Seat	Game show	Gravity Media
Deal or No Deal	Game show	Gravity Media
Racing.com	Broadcast	Gravity Media

Supporting Victorian production

DSM supported Victorian screen production across feature film, television, broadcast, virtual production and events during 2025-26.

Victorian productions using the site included *Stake Out* and *Hotel Hotel Hotel Hotel* with Princess Pictures. DSM also supported domestic broadcast activity through Gravity Media, including *Millionaire Hot Seat, Deal or No Deal* and *Racing.com*.

These productions used a range of facilities across the site, including sound stages, production offices, support areas, broadcast facilities and virtual production volumes.

Production outcomes

All Her Fault completed pickup filming at DSM during the year. The Melbourne-shot production won the Sustainable Production Award (TV) at the 2026 Global Production Awards in Cannes.

War Machine and *Thrash*, which were filmed at Docklands Studios Melbourne in prior reporting periods, were released during 2026. Each reached number one on Netflix's global English-language film chart following release.

Tenant activity and long-term arrangements

NantStudios continued to operate virtual production facilities at DSM, supporting virtual production, client projects and events, including the completion of *Play Dead*. The Company entered into a long-term agreement with NantStudios during the year.

The Company entered into a long-term agreement with Gravity Media during the year.

The long-term arrangements with NantStudios and Gravity Media sit alongside DSM's core stage and production-support business offering a hybrid mix of facilities and expertise.

Operations and site renewal

DSM maintained operations across sound stages, production offices, workshops, support areas and site infrastructure throughout the year. Planned maintenance, reactive maintenance, production-related works and site improvements were managed alongside production and tenant activity.

DSM progressed targeted asset renewal and risk-reduction works during the year. These included the first stage of the site security upgrade, wireless network improvements and information-management technology work.

Operating and Financial Review (cont'd)

People, sustainability and engagement

DSM continued work on workforce capability, leadership, professional development and staff wellbeing. Feedback from the 2025 People Matter Survey informed work on communication, role clarity, management practice and workplace culture.

DSM progressed targeted asset renewal and risk-reduction works during the year. DSM completed its first full year as a State Electricity Commission customer, with the site supplied with 100 per cent renewable electricity during the year.

DSM also progressed its Sustainability Master Plan and Albert's Studio Sustainability Standard benchmarking work. These programs will inform future decisions on energy use, facilities investment, production support and environmental performance.

DSM maintained engagement with Victorian, national and international screen organisations, production companies and service providers during the year.

Infrastructure planning

During 2025-26, DSM advanced planning for replacement workshop facilities, site access and gatehouse improvements, and future stage and support-space options. This work responds to pressure on workshop and support capacity and will inform future business cases and capital decisions.

Outlook

DSM enters 2026-27 with forward bookings and continuing demand for its facilities. Priorities include supporting productions and tenants, maintaining the site, progressing infrastructure planning, and continuing work on sustainability, technology and workforce capability.

Five-year financial summary

Five-year financial summary	2026 $	2025 $	2024 $	2023 $	2022 $
Income from licensing of facilities and recoveries for services	10,453,265	8,661,231	9,525,588	8,697,850	7,046,396
Interest income	764,780	756,703	598,904	301,307	33,335
Total expenses from transactions	(11,197,720)	(10,792,698)	(9,332,720)	(10,568,447)	(7,719,338)
Earnings before depreciation and interest	5,603,925	3,759,078	5,499,138	3,049,092	3,124,177
Net result from transactions	20,325	(1,374,764)	793,017	(1,569,290)	(639,607)
Net result for the period	21,106	(1,374,378)	793,073	(1,570,063)	(639,884)
Net cash flow from operating activities	5,349,755	3,653,341	4,396,360	2,330,350	5,765,166
Total assets	115,855,954	95,868,862	97,924,727	90,811,909	93,862,952
Total liabilities	9,516,815	1,632,037	2,313,524	3,687,262	5,168,242
Total net assets	106,339,139	94,236,825	95,611,203	87,124,647	88,694,710

DIRECTORS' REPORT

Operating Results for the Period

Total operating revenue for the year was $11,218,045 (2025: $9,417,934). Total operating expenses before depreciation and interest were $5,614,120 (2025: $5,658,856).

This leaves an operating profit (or EBITDA) of $5,603,925 (2025: $3,759,078). After depreciation and interest, the profit is $21,106 (2025: $1,374,378 loss).

Lease Agreement

The Company occupies Crown land under the terms of one lease with a 21 year term ending on 20 August 2046 (lease of Crown Allotments 2052, 2004 and 2003).

Review of Financial Condition

Liquidity

The Company received cash from operating activities during the year which together with the opening cash balances was sufficient to cover all operating cash payments. The closing cash balance at 30 June 2026 was $21,824,263 up from $17,290,791 at 30 June 2025. $13.6 million of this balance represents funds that have been set aside to contribute to the future replacement of the ageing Workshop building.

Non-Current Assets

At balance date the Company had property, plant and equipment totalling $92,972,242 (2025: $78,038,414) comprised of the written down value of buildings $85,328,270 (2025: $77,420,537), plant and equipment of $277,719 (2025: $242,683) capital works in progress of $208,184 (2025: $193,086) and infrastructure of $7,158,069 (2025: $182,108).

Equity and Called Up Capital

The issued and called up capital of the Company at 30 June 2026 was $103,590,841. The State of Victoria is the sole owner of the shares comprising:

- 200,000 fully paid up 1 cent shares	$	2,000	
- 91,081,841 fully paid up $1.00 shares	$	91,081,841	
- 2,501,400 fully paid up $5.00 shares	$	12,507,000	
	$	103,590,841	(i)

(i) see Notes 8.3 and 8.4.

Capital reserves

The Company's profit after depreciation and interest was $21,106 (2025: $1,374,378 loss) which, when added to the prior year's accumulated losses, brings the accumulated loss at 30 June 2026 to $34,896,238 (2025: $34,917,344). The revaluation reserve at 30 June 2026 was $37,644,536 (2025: $25,563,328).

Significant Events after the Balance Date

There are no other significant events subsequent to the reporting date that will have a material effect on the Company's operations.

Likely Developments and Expected Results

At the date of this report, 78% of the 2026-27 budgeted facilities revenue has been confirmed with a number of other potential bookings.

Final operating revenue will be dependent on securing new bookings. These are subject to market conditions and the level of competition from other territories. The Directors expect operating expenses to be higher than prior years in line with general cost increases, the level of activity at the Studios and the cost of running a larger studio complex.

DIRECTORS' REPORT

Environmental Regulation and Performance
The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or State or Territory. The Company holds no specific environmental licences or permits.

Indemnification and Insurance of Directors and Officers
During the year, the Company paid a premium to insure officers of the Company. All Directors are covered by the insurance policy.

The liabilities insured are legal costs that may be incurred in defending any proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

The insurance contract premium paid to the Victorian Managed Insurance Authority was $20,143 (2025: $19,387).

The Company has not indemnified or agreed to indemnify any current or former officer of the Company against a liability incurred by an officer during or since the end of the financial year, except to the extent permitted by law.

Directors' meetings and Committee membership
Directors' meetings and audit and risk committee meetings held during the period and attended by each director and member were:

	Directors' Meetings		Audit and Risk Committee Meetings	
	2026	2025	2026	2025
Number of meetings held:	7	7	5	4
Number of meetings attended:				
Directors				
L. Coppel	7	7	5	4
R. Garnett	5	6	-	3
E. Burnett	7	7	5	3
B. Jones	7	-	2	-
O. Wynyard Gonfond	7	-	-	-
Audit and Risk Committee Chair				
I. Gaudion	-	-	1	4
K. Shah	-	-	5	1

The Audit and Risk Committee comprises Mr Shah (Chair) and a minimum of two non-executive directors appointed by the Board.

K Shah was appointed as Chair of the Audit and Risk Committee on 27 August 2025. During the period 16 April 2025 and 26 August 2025, K Shah was Deputy Chair of the Audit and Risk Committee.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

No proceedings have been brought to or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Economic dependency
There is an economic dependency by the Company on the State of Victoria in respect of the acquisition and replacement of major assets. There is no indication that this financial support will not continue.

DIRECTORS' REPORT

Options
No options over issued shares or interests in the Company or a controlled entity were granted during or since the end of the period. No options were outstanding at the date of this report.

Auditor's Independence Declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

Rounding
All amounts are reported at the dollar level. Rounding has not been applied.

Signed in accordance with a resolution of the Board of Directors:



L Coppel
Chair
26 August 2026

Auditor-General's Independence Declaration

To the Directors, Docklands Studios Melbourne Pty Ltd

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 Docklands Studios Melbourne Pty Ltd for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Corporations Act 2001* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
4 September 2026

Paul Martin
as delegate for the Auditor-General of Victoria

DOCKLANDS STUDIOS MELBOURNE - FINANCIAL STATEMENTS

How this report is structured

Docklands Studios Melbourne (Company) has presented its audited general purpose financial statements for the financial year ended 30 June 2026 in the following structure to provide users with the information about the Company's stewardship of resources entrusted to it.

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DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Docklands Studios Melbourne Pty Ltd (the Company):

1 In the opinion of the Directors:

(a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards and the *Corporations Regulations 2001* ; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2 We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

3 Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001* .

On behalf of the Board



L Coppel
Chair

26 August 2026

ACCOUNTABLE OFFICER'S AND CHIEF FINANCE OFFICER'S DECLARATION

The attached financial statements for Docklands Studios Melbourne Pty Ltd have been prepared in accordance with the *Corporations Act 2001 and* the *Corporations Regulations 2001* , 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 2026 and financial position of the Company at 30 June 2026.

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 26 August 2026.



A. Tulloch
Chief Executive Officer



L. Cafari
Chief Finance Officer

26 August 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Directors of Docklands Studios Melbourne Pty Ltd

Opinion	I have audited the financial report of Docklands Studios Melbourne Pty Ltd (the company) which comprises the: • balance sheet as at 30 June 2026 • 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 • Directors' declaration and the accountable officer's and chief finance officer's declaration. In my opinion, the financial report is in accordance with the *Corporations Act 2001* including: • presenting fairly, in all material respects, the financial position of the company as at 30 June 2026 and its financial performance and cash flows for the year then ended • complying with Australian Accounting Standards-Simplified Disclosures and the *Corporations Regulations 2001*.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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.
Other information	The Directors of the company are responsible for the "other information" included in the company's Annual Report for the year ended 30 June 2026. The other information in the Annual Report does not include the financial report and my auditor's report thereon. My opinion on the financial report does not cover the other information included in the Annual Report. Accordingly, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a materially misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
Directors' responsibilities for the financial report	The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards-Simplified Disclosures and the *Corporations Act 2001*, and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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



MELBOURNE
4 September 2026

Paul Martin
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT

for the financial year ended 30 June 2026

	Note	2026 $	2025 $
Income from transactions			
Income from licensing of facilities and recoveries for services provided	2.1	10,453,265	8,661,231
Interest income	2.1	764,780	756,703
Total income from transactions		**11,218,045**	**9,417,934**
Expenses from transactions			
Employee benefit expenses	3.1	(2,129,602)	(1,912,154)
Supplies and services	3.2	(3,485,299)	(3,747,088)
Depreciation and amortisation expenses	4.1.2/4.2.1	(5,157,414)	(5,128,322)
Interest expense	6.2.2	(425,405)	(5,134)
Total expenses from transactions		**(11,197,720)**	**(10,792,698)**
Net result from transactions (net operating balance)		**20,325**	**(1,374,764)**
Other economic flows included in net result			
Other gains/(losses) from other economic flows	8.1	781	386
Total other economic flows included in net result		**781**	**386**
Net result		**21,106**	**(1,374,378)**
Other economic flows - other comprehensive income			
Items that will not be classified to net result			
Changes in physical asset revaluation surplus (deficit)	4.1.2	12,081,208	-
Total other economic flows - other comprehensive income		**12,081,208**	**-**
Comprehensive result		**12,102,314**	**(1,374,378)**

The accompanying notes form part of these financial statements.

BALANCE SHEET

as at 30 June 2026

	Note	2026 $	2025 $
Assets			
Financial assets			
Cash and deposits	6.1	21,824,263	17,290,791
Receivables	5.1	970,620	481,335
Total financial assets		**22,794,883**	**17,772,126**
Non-financial assets			
Property, plant and equipment	4.1	92,972,242	78,038,414
Intangible assets	4.2	22,781	-
Other non-financial assets	5.3	66,048	58,322
Total non-financial assets		**93,061,071**	**78,096,736**
Total assets		**115,855,954**	**95,868,862**
Liabilities			
Payables	5.2.1	1,074,905	954,235
Contract liabilities	5.2.2	597,309	130,013
Provisions for employee benefits	3.1.2	382,683	350,357
Borrowings	6.2	7,461,918	197,432
Total liabilities		**9,516,815**	**1,632,037**
Net assets		**106,339,139**	**94,236,825**
Equity			
Accumulated surplus/(deficit)		(34,896,238)	(34,917,344)
Reserves		37,644,536	25,563,328
Issued capital		103,590,841	103,590,841
Net worth		**106,339,139**	**94,236,825**

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT

for the financial year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts			
Receipts from customers		11,781,689	9,883,322
Interest received		764,780	756,703
Total receipts		**12,546,469**	**10,640,025**
Payments			
Payments to suppliers and employees		(6,382,716)	(6,487,157)
Goods and services tax paid to the ATO (i)		(388,593)	(494,393)
Interest paid		(425,405)	(5,134)
Total payments		**(7,196,714)**	**(6,986,684)**
Net cash flows from/(used in) operating activities		**5,349,755**	**3,653,341**
Cash flows from investing activities			
Purchases of non-financial assets		(817,654)	(958,970)
Loans (granted to)/repaid by third parties		99,933	95,544
Net cash flows from/(used in) investing activities		**(717,721)**	**(863,426)**
Cash flows from financing activities			
Repayment of principal portion of lease liabilities		(98,562)	(470,030)
Net cash flows from/(used in) financing activities		**(98,562)**	**(470,030)**
Net increase/(decrease) in cash and cash equivalents		4,533,472	2,319,885
Cash and cash equivalents at the beginning of financial year		17,290,791	14,970,906
Cash and cash equivalents at the end of financial year	6.1	**21,824,263**	**17,290,791**

The accompanying notes form part of these financial statements.

Notes

(i) Goods and Services Tax paid to the ATO is presented on a net basis.

STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2026

	Note	Physical asset revaluation surplus	Accumulated surplus/ (deficit)	Issued capital	Total
Balance at 1 July 2024		**25,563,328**	**(33,542,966)**	**103,590,841**	**95,611,203**
Net result for the year		**-**	(1,374,378)	**-**	**(1,374,378)**
Balance at 30 June 2025		**25,563,328**	**(34,917,344)**	**103,590,841**	**94,236,825**
Net result for the year		**-**	21,106	**-**	**21,106**
Revaluation adjustment of buildings		12,081,208	-	-	**12,081,208**
Balance at 30 June 2026		**37,644,536**	**(34,896,238)**	**103,590,841**	**106,339,139**

The accompanying notes form part of these financial statements.

1. ABOUT THIS REPORT

Docklands Studios Melbourne Pty Ltd is a private unlisted company incorporated in Australia on 2nd August 2002 owned by the State of Victoria.

Its principal address is 476 Docklands Drive, Docklands, VIC, 3008.

A description of the nature of its operations and the principal activities is included in the Directors' Report which does not form part of these financial statements.

Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060).

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The accrual basis of accounting has been applied in preparing 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.

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

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

These financial statements cover the Docklands Studios Melbourne as an individual reporting entity which manages the sound stages located in the Docklands precinct Melbourne.

Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001,* the *Corporations Regulations 2001* and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. FUNDING DELIVERY OF OUR SERVICES

Introduction

The Company's overall objective is to service both domestic and international film and television production.

To enable the Company to fulfil its objective, it receives income from the licensing of sound stages, production offices and workshops to third parties for the production of film and television programmes.

Structure

2.1 Summary of income that funds the delivery of our services 25
2.2 Income from transactions 25

2.1 Summary of income that funds the delivery of our services

	Notes	2026 $	2025 $
Income from licensing of facilities and recoveries for services provided	2.2	10,453,265	8,661,231
Interest on bank deposits	2.2	757,624	743,456
Interest on loans to third parties	2.2	7,156	13,247
		764,780	**756,703**
Other income		-	-
Total Income from Transactions		**11,218,045**	**9,417,934**

2.2 Income from transactions

Income that funds delivery of the Company's services is accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

Income from licensing of facilities and recoveries for services provided

The income from licensing of facilities and recoveries for services provided included in the table above are transactions that the Company has determined to be classified as revenue from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers*.

Income is measured based on the consideration specified in the contract with the customer. The Company recognises revenue when it transfers control of a service to the customer, i.e. when, or as, the performance obligations for the services to the customer are satisfied. The performance obligation for the Company is the provision of the licensed facility to the customer.

Income from the rendering of services is recognised over time when the customer simultaneously receives and consumes the services as it is provided.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability. Where the performance obligation is satisfied but not yet billed, a contract asset is recorded.

Interest income

Interest revenue includes interest on bank deposits and loans to third parties and is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

3. THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by the Company in delivering services. 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 Expenses incurred in delivering services 26
3.2 Other operating expenses 28

3.1 Expenses incurred in delivering services

	Notes	2026 $	2025 $
Employee benefit expenses	3.1.1	2,129,602	1,912,154
Other operating expenses - supplies and services	3.2	3,485,299	3,747,088
Total expenses incurred in delivery of services		**5,614,901**	**5,659,242**

3.1.1 Employee benefits in the comprehensive operating statement

	2026 $	2025 $
Salaries and wages	1,631,561	1,497,775
Defined contribution superannuation expense	202,131	178,241
Annual leave and long service leave expense	158,152	137,794
Other on-costs	137,758	98,344
Total employee benefit expenses	**2,129,602**	**1,912,154**

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, fringe benefits tax, WorkCover premiums and superannuation contributions. These are recognised when incurred.

The amount recognised in the comprehensive operating statement in relation to Superannuation is the employer contributions for members of defined contribution plans that are paid or payable during the reporting period.

3. THE COST OF DELIVERING SERVICES

3.1.2 Employee-related Provisions

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

	2026 $	2025 $
Current provisions		
Annual leave	112,750	110,846
Long service leave	152,323	148,007
Provision for on-costs	47,109	45,999
Total current provisions for employee benefits	**312,182**	**304,852**
Non-current provisions		
Long service leave	59,722	38,548
On-costs	10,779	6,957
Total non-current provisions for employee benefits	**70,501**	**45,505**
Total provisions for employee benefits	**382,683**	**350,357**

Wages and salaries and annual leave

Liabilities for wages and salaries (including non-monetary benefits and annual leave) are all recognised in the provision for employee benefits as 'current liabilities' and measured at nominal value, because the Company does not have an unconditional right to defer settlement of these liabilities.

The liability for salaries and wages is recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Company 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 Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an 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. The on-costs provision is immaterial in 2026.

3. THE COST OF DELIVERING SERVICES

Long service leave

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

Unconditional LSL (representing seven or more years of continuous service for Company employees including executives) is disclosed as a current liability even where the Company does not expect to settle the liability within 12 months because the Company 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:

- undiscounted value - if the Company expects to wholly settle within 12 months; or
- present value - if the Company does not expect to wholly settle within 12 months.

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

Any gain or loss following revaluation to present value of non-current LSL liability due to changes in bond interest rates is recognised as an 'other economic flow' in the net result.

3.2 Other operating expenses - supplies and services

	2026 $	2025 $
Consultants	347,039	222,330
Maintenance expenses	1,312,830	1,493,978
Insurance expense	283,072	313,029
Travel expense	125,625	71,001
Security expense	365,582	203,842
Utilities	641,651	917,632
IT and communication expenses	268,872	223,406
Legal expense	9,900	21,600
Audit fees	36,500	34,700
Marketing expenses	54,989	63,913
Other expenses	129,239	91,657
Efficiency savings contribution	(90,000)	90,000
Total supplies and services	**3,485,299**	**3,747,088**

These expenses generally represent the day-to-day running costs, including maintenance costs, which have been incurred in the normal operations of the Company. These items are recognised as an expense in the reporting period in which they are incurred.

4. KEY ASSETS TO SUPPORT OUTPUT DELIVERY

Introduction

The Company controls infrastructure that is utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Company to be utilised for delivery of those objectives.

Structure

4.1 Property, plant and equipment 29

4.1 Property, plant and equipment

	2026 $	2025 $
Buildings and building improvements		
At fair value	85,377,729	81,999,452
Less accumulated depreciation	(49,459)	(4,578,915)
	85,328,270	77,420,537
Capital works in progress		
At cost	208,184	193,086
Less accumulated depreciation	-	-
	208,184	193,086
Plant, equipment and vehicles		
At fair value	1,427,079	1,307,642
Less accumulated depreciation	(1,149,360)	(1,064,959)
	277,719	242,683
Right-of-use assets: land [(i)]		
At cost	7,484,786	2,742,409
Less accumulated depreciation	(326,717)	(2,560,301)
	7,158,069	182,108
Net carrying amount	**92,972,242**	**78,038,414**

(i) Refer Note 6.3 for more information about associated lease.

The following tables are subsets of property, plant and equipment by right-of-use assets.

4.1 (a) Total right-of-use assets: land	2026 $	2025 $
Land		
At cost	7,484,786	2,742,409
Less accumulated depreciation	(326,717)	(2,560,301)
	7,158,069	182,108
Net carrying amount	**7,158,069**	**182,108**

4. KEY ASSETS TO SUPPORT OUTPUT DELIVERY

	2026 $
Land	
Opening Balance	182,108
Additions	7,363,048
Remeasurement of right-of-use asset	-
Depreciation expense	(387,087)
Closing Balance	7,158,069

Initial Recognition:

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Items with a cost value in excess of $1,000 and a useful life of more than one year are recognised as an asset. All other items are expensed.

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

The Company recognises a right-of-use asset 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.

Right-of-use asset - Subsequent measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability. The Company 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. Impairment of right-of-use assets is determined and accounted for in accordance with AASB 136 *Impairment of Assets.*

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.

4.1.1 Depreciation and amortisation

Depreciation is provided on property, plant and equipment that have finite useful lives.

Depreciation is calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. For buildings and plant and equipment, depreciation commences from the time the asset is held ready for use.

The useful lives used to calculate depreciation for each class of depreciable assets are:

	2026
Buildings	10 to 58 [(i)]
Building improvements	6 to 20
Plant, equipment and vehicles	2.5 to 10
Right-of-use assets: land	21

(i) Based on a reassessment of useful life at 30 June 2026, the useful life for buildings will be revised to "10 to 63" from 2027.

The assets' residual values, depreciation method and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

4. KEY ASSETS TO SUPPORT OUTPUT DELIVERY

During the year, the independent valuer reassessed the remaining useful life of the Company's buildings. Buildings and building components that have almost reached their useful life were assessed as having a 6 year remaining life based on continual use. This reassessment represents a change in accounting estimate and has been applied prospectively in accordance with AASB 108. The reassessment increased the fair value of buildings by approximately $6,511,000 at 30 June 2026. The impact on future periods will be reflected in the depreciation charges over the revised remaining useful life.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term.

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

	Buildings and building improvements	Capital works in progress	Plant, equipment and vehicles	Right-of-use assets: land	Total
2026	$		$	$	$
Opening Balance	77,420,537	193,086	242,683	182,108	78,038,414
Transfer in/out of assets	193,086	(193,086)	-	-	-
Revaluation increment	12,081,208	-	-	-	12,081,208
Additions	312,257	208,184	119,437	7,363,048	8,002,926
Depreciation expense	(4,678,819)	-	(84,400)	(387,087)	(5,150,306)
Closing Balance	85,328,269	208,184	277,720	7,158,069	92,972,242

An independent valuation of the Company's buildings was undertaken by the Valuer-General Victoria who contracted Napier and Blakeley Pty Ltd. The valuation was performed using the current replacement cost. The effective date of the valuation is 30 June 2026.

Between each scheduled revaluation, fair value assessments are conducted in each annual reporting period. If the compounded movement in the relevant indicators since the last scheduled revaluation is material (greater than or equal to 10 per cent), a managerial revaluation of the carrying amount of that class of assets is performed. Refer to Note 7.3 for additional information.

4.2 Intangible assets

	2026 $	2025 $
Software		
At cost	62,113	32,224
Less accumulated amortisation	(39,332)	(32,224)
	22,781	-
Net carrying amount	**22,781**	**-**

Initial Recognition

4. KEY ASSETS TO SUPPORT OUTPUT DELIVERY

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation. Cost incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Company. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent measurement

Intangible assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over the asset's useful life.

The useful life used to calculate amortisation is:

	Years
Software	2.5

There has been no change to the useful life since the previous year.

Impairment

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

4.2.1 Reconciliation of movements in carrying values of intangible assets

	2026 $	2025 $
Opening Balance	-	-
Additions	29,889	-
Amortisation expense	(7,108)	-
Closing Balance	22,781	-

5. OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

5.1 Receivables 33
5.2 Other liabilities 34
5.3 Other non-financial assets 35

5.1 Receivables

	2026 $	2025 $
Contractual		
Trade receivables	866,096	276,879
Loans to third parties [(a)]	104,524	204,456
	970,620	**481,335**
Total receivables	**970,620**	**481,335**
Represented by		
Current receivables	970,620	368,311
Non-current receivables	-	113,024

Note: (a) Loans to third parties bear a fixed interest rate with a weighted-average interest rate of 4.5%.

Receivables consist predominantly of debtors in relation to goods and services.

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value. The Company holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost, less any impairment.

5.1.1 Impairment Loss

The Company records the allowance for expected credit loss for the relevant financial instruments, applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Company's contractual receivables and statutory receivables.

Contractual receivables at amortised cost

The Company applies AASB 9 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 Company has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Company's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

The expected loss rate applied as at 30 June 2026 is 0% (2025: 0%)

5. OTHER ASSETS AND LIABILITIES

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.

Statutory receivables at amortised cost

Statutory receivables 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.

5.2 Other liabilities

5.2.1 Payables

	2026 $	2025 $
Contractual		
Current		
Trade creditors	186,300	379,270
Accruals	280,622	339,286
Security deposits	122,000	195,000
Non Current		
Security deposits	175,000	-
	763,922	**913,556**
Statutory		
Current		
Taxes payable	46,782	31,565
GST Payable	264,201	9,114
	310,983	**40,679**
Total payables	**1,074,905**	**954,235**

Payables represent liabilities for goods and services provided to the Company that are unpaid at the end of the financial year. The amounts are unsecured and usually paid within 30 days of recognition. No interest is charged on late payments. Payables consist of:

Contractual payables classified as financial instruments and are measured at amortised cost.

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.

Security deposits: The Company holds security deposits as a condition of its licence agreements with clients. These security deposits are refundable subject to provisions within the licence agreements with respect to damage to licenced facilities and payment in full of all outstanding invoices.

5. OTHER ASSETS AND LIABILITIES

5.2.2 Contract liabilities

	2026 $	2025 $
Contract liabilities		
Current	597,309	130,013
	597,309	**130,013**

Contract liabilities: The Company has performance obligations to provide the licensed facilities to the customer. At year end, contract liabilities represent amount received (or due) from customers for which the performance obligation has not yet been satisfied. The full amount of the contract liability is recognised as revenue in the following financial year.

The balance of contract liabilities was significantly higher at 30 June 2026 due the level of production activity and contracted billing schedules.

5.3 Other non-financial assets

	2026 $	2025 $
Prepayments for supplies and services	66,048	58,322
Total other non-financial assets	**66,048**	**58,322**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

6. HOW WE FINANCED OUR OPERATIONS

Introduction

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

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

Structure

6.1 Cash flow information and balances 36
6.2 Borrowings 36
6.3 Leases 37
6.4 Commitments for expenditure 39

6.1 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank. The Company's accounts are held in the Central Banking System (CBS).

	2026 $	2025 $
Reconciliation of cash and cash equivalents		
Total cash and deposits disclosed in the balance sheet [(a)]	21,824,263	17,290,791
Balance as per cash flow statement	**21,824,263**	**17,290,791**

Note: (a) Cash and deposits bear a variable interest rate with a weighted-average interest rate of 3.94%. (2025: 4.34%)

6.2 Borrowings

	2026 $	2025 $
Current borrowings		
Lease liabilities [(i)]	52,552	197,432
Non-current borrowings		
Lease liabilities [(i)]	7,409,366	-
Total borrowings	**7,461,918**	**197,432**

(i) Refer Note 6.3 for more information about associated lease.

Borrowings refer to lease liabilities.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost and recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

6. HOW WE FINANCED OUR OPERATIONS

6.2.1 Maturity analysis of borrowings

	2026 $	2025 $
Lease liabilities		
Carrying amount	7,461,918	197,432
Nominal amount	13,879,910	197,985
Maturity dates		
1-3 months	127,500	118,791
3 months to 1 year	386,250	79,194
1-5 years	2,213,819	-
5+ years	11,152,341	-
Weighted Average Interest Rate %	6.20	1.12

6.2.2 Interest expense

	2026 $	2025 $
Interest on lease liabilities	425,405	5,134
Total interest expense	**425,405**	**5,134**

Interest expense includes the interest component of lease repayments.

Interest expense is recognised in the period in which it is incurred.

6.3 Leases

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

The Company occupies Crown land on which the Company's studio assets operate under the terms of one lease with a 21 year term commencing on 21 August 2025 and ending on 20 August 2046 (lease of Crown Allotments 2052, 2004 and 2003).The Company is required to pay rental subject to annual fixed percentage reviews and market reviews every five years. The lease is considered to be a below market value lease. The permitted use under the terms of the lease allow for the operation of a film and television studio and associated ancillary uses. There are no options for further terms or purchase.

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

6.3 (a) Right-of-use Assets

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

6. HOW WE FINANCED OUR OPERATIONS

6.3 (b) Recognition and measurement of leases as a lessee

For any new contracts entered into, the Company 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 Company assesses whether the contract meets three key evaluations:

- 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 Company and for which the supplier does not have substantive substitution rights;
- Whether the Company 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 Company has the right to direct the use of the identified asset throughout the period of use; and
- Whether the Company has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

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 Company'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.

Presentation of right-of-use assets and lease liabilities
The Company presents right-of-use assets as 'property plant equipment' in the balance sheet (Refer Note 4.1). Lease liabilities are presented as 'borrowings' in the balance sheet (Refer Note 6.2).

Leases of low-value assets
The Company has elected to account for 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.

6. HOW WE FINANCED OUR OPERATIONS

	Minimum future lease payments	
	2026 $	2025 $
Future lease payments		
Not longer than one year	513,750	197,985
Longer than one year and but not longer than five years	2,213,819	-
Longer than 5 years	11,152,341	-
Minimum future lease payments	13,879,910	197,985
Less future finance charges	(6,417,992)	(553)
Present value of minimum lease payments	7,461,918	197,432

Lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 6.2.

6.4 Commitments for expenditure

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

(i) Property, plant and equipment commitments

The following capital expenditure commitments have not been recognised as liabilities in the financial statements:

	2026 $	2025 $
Capital expenditure commitments payable		
Not longer than one year	692,709	56,743
Total commitments (inclusive of GST)	692,709	56,743
Less GST recoverable	(62,974)	(5,158)
Total commitments (exclusive of GST)	**629,735**	**51,585**

6. HOW WE FINANCED OUR OPERATIONS

(ii) Other commitments

The following commitments have not been recognised as liabilities in the financial statements:

	2026 $	2025 $
Other commitments payable		
Not longer than one year	4,052	4,052
Longer than one year and not longer than five years	16,209	16,209
Longer than five years	4,052	8,105
Total commitments (inclusive of GST)	24,313	28,366
Less GST recoverable	(2,210)	(2,579)
Total commitments (exclusive of GST)	**22,103**	**25,787**

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

It is often necessary for the Company to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Company related mainly to fair value determination.

Structure

7.1 Financial instruments specific disclosures 43
7.2 Contingent assets and contingent liabilities 43
7.3 Fair value determination 44

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 Company's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example fines, taxes and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation* .

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs 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 Company to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

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

Cash and deposits and receivables (excluding statutory receivables) are recognised in this category.

Derecognition 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:

- the rights to receive cash flows from the asset have expired
- the Company 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 Company 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 Company has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Company's continuing involvement in the asset.

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Categories of financial liabilities

Financial liabilities at amortised cost

Financial instrument liabilities 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.

Financial instrument liabilities measured at amortised cost include all of the Company's contractual payables and borrowings held other than those designated at fair value through profit or loss.

Derecognition 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.

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

7.1.1 Financial instruments: Net gain/(loss) on financial instruments by category

2026		Carrying amount	Total interest income/ (expense)
	Note	$	$
Financial assets at amortised cost			
Cash and deposits	6.1	21,824,263	757,624
Receivables	5.1	866,096	-
Loans to third parties	5.1	104,524	7,156
Total financial assets at amortised cost [(i)]		**22,794,883**	**764,780**
Financial liabilities at amortised cost			
Trade creditors	5.2	186,300	-
Other payables	5.2	297,000	-
Lease liabilities	6.2	7,461,918	(425,405)
Total contractual financial liabilities [(i)]		**7,945,218**	**(425,405)**
2025	**Note**		
Financial assets at amortised cost			
Cash and deposits	6.1	17,290,791	743,456
Receivables	5.1	276,879	-
Loans to third parties	5.1	204,456	13,247
Total financial assets at amortised cost [(i)]		**17,772,126**	**756,703**
Financial liabilities at amortised cost			
Trade creditors	5.2	379,270	-
Other payables	5.2	195,000	-
Lease liabilities	6.2	197,432	(5,134)
Total contractual financial liabilities [(i)]		**771,702**	**(5,134)**

Notes

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

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.

There are no legal claims against the Company nor any other claim that creates a contingency for the Company. (2025: Nil)

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

7.3 Fair value determination

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 in assumptions could have a material impact on the results and financial position of the Company.

This section sets out information on how the Company 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:

- property, plant and equipment (excluding right-of-use assets measured using the cost model)

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

The Valuer-General Victoria (VGV) is the Company's independent valuation agency. The Company, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

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

- valuation techniques
- details of significant assumptions used in the fair value determination.

7.3.1 Fair value determination: Non-financial physical assets

Valuation techniques and significant assumptions of non-financial physical assets measured at fair value

An independent valuation of the Company's buildings was undertaken by the Valuer-General Victoria during the 2025-26 financial year. The valuation was performed using the current replacement cost. The effective date of the valuation is 30 June 2026.

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

Between each scheduled revaluation, fair value assessments are conducted in each annual reporting period. If the compounded movement in the relevant indicators since the last scheduled revaluation is material (greater than or equal to 10 per cent), a managerial revaluation of the carrying amount of that class of assets is performed.

The Company applied AASB 2022-10, including Appendix F of AASB 13 in 2025 and as part of the current scheduled formal revaluation process. There was no material impact to the financial statements.

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

Specialised buildings and building improvements

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

Plant, equipment and vehicles

Office equipment, computer equipment and vehicles are held at fair value. When equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

Description of significant assumptions applied to fair value measurement

2025 and 2026	Valuation technique (i)	Significant unobservable inputs (i)
Specialised buildings and building improvements	Current replacement cost	Useful life of specialised buildings and improvements Direct cost per square metre
Office equipment	Current replacement cost	Useful life of office equipment Cost per unit
Computer equipment	Current replacement cost	Useful life of computer equipment Cost per unit
Vehicles	Current replacement cost	Useful life of vehicles Cost per unit

Notes

(i) Illustrations on the valuation techniques and significant assumptions and unobservable inputs are indicative and should not be directly used without consultation with the Company's independent valuer.

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.

	2026 $	2025 $
Other gain/(loss) from other economic flows		
Net gain/(loss) arising from revaluation of long service liability	781	386
Total other economic flows included in net result	**781**	**386**

Notes:

(i) Revaluation gain/(loss) due to change in bond rates

8.2 Number of shares

The Company is a private company limited by shares. The shareholders are:

Shareholder	Par Value	Number of shares 2026	Number of shares 2025
The Crown in right of the State of Victoria	$0.01	200,000	200,000
The Crown in right of the State of Victoria	$1.00	91,081,841	91,081,841
The Crown in right of the State of Victoria	$5.00	2,501,400	2,501,400
Total number of shares		93,783,241	93,783,241

8. OTHER DISCLOSURES

8.3 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of ministers, directors and accountable officer in the Company are as follows:

Minister		
Minister for Creative Industries	The Hon. Colin Brooks, MP	1 July 2025 to 21 April 2026
Minister for Creative Industries	The Hon. Vicki Ward, MP	21 April 2025 to 30 June 2026
Board of Directors		
Chair	Ms Louisa Coppel	1 July 2025 to 30 June 2026
Director	Mr Ewan Burnett	1 July 2025 to 30 June 2026
Director	Mr Rohan Garnett	1 July 2025 to 30 June 2026
Director	Ms Bethany Jones	29 July 2025 to 30 June 2026
Director	Mr Olivier Wynyard Gonfond	29 July 2025 to 30 June 2026
Accountable Officer		
Chief Executive Officer	Mr Antony Tulloch	1 July 2025 to 30 June 2026

Remuneration

Remuneration received or receivable by responsible persons, other than Ministers, in connection with the management of the Company during the reporting period is shown in the table below in their relevant income bands.

Income Band	Total Remuneration	
	2026 No.	2025 No.
$10,000 - $19,999	4	2
$40,000 - $49,999	1	1
$320,000 – $329,999	-	1
$390,000 – $399,999	1	-
Total number of responsible persons	**6**	**4**
Total amount	**$505,971**	**$400,460**

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the Company, or on behalf of the Company, in exchange for services rendered.

The remuneration 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 in the State's Annual Financial Report.

8. OTHER DISCLOSURES

8.4 Related parties

The Company is a wholly owned and controlled entity of the State of Victoria.

Related parties of the Company include:

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

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

Significant transactions and balances with government related entities

The Company occupies Crown land under the terms of one lease with a 21 year term ending on 20 August 2046 (lease of Crown Allotments 2052, 2004 and 2003). The Company is required to pay rental subject to annual fixed percentage reviews and market reviews every five years. The lease is considered to be a below market value lease.

The transactions and balances for this lease are disclosed in Notes 4.1(a) and 6.3.

Key management personnel of the Company include:

Key Management Personnel	Position Title
The Hon. Colin Brooks MP	Minister for Creative Industries
The Hon. Vicki Ward, MP	Minister for Creative Industries
Ms Louisa Coppel	Chair
Mr Ewan Burnett	Director
Mr Rohan Garnett	Director
Ms Bethany Jones	Director
Mr Olivier Wynyard Gonfond	Director
Mr Antony Tulloch	Chief Executive Officer

Remuneration of key management personnel

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 in the State's Annual Financial Report.

Compensation of Key Management Personnel	2026 $	2025 $
Total Remuneration	505,971	400,460

Transactions and balances with key management personnel and other related parties

There are no related party transactions that involved key management personnel, their close family members and their personal business interests.

8. OTHER DISCLOSURES

8.5 Remuneration of auditors

	2026 $	2025 $
Victorian Auditor-General's Office		
Audit of the financial statements	36,500	34,700
Other service providers		
Internal audit services	35,521	36,736

8.6 Subsequent events

The policy in connection with recognising subsequent events, that are, for events that occur between the end of the reporting period and the date when the financial statements are authorised for issue is as follows:

- adjustments are made to amounts recognised in the financial statements where those events provide information about conditions that existed at the reporting date; and/or
- disclosure is made where the events relate to conditions that arose after the end of the reporting period that are considered to be of material interest.

The Company is not aware of any events subsequent to the reporting date that will have a material effect on its operations.

8.7 Other accounting policies

Income tax

In 2009 the Company received a private ruling from the Australian Taxation Office (Authorization Number 90830) which states that the Company is exempt from Commonwealth income tax under section 24AM of the *Income Tax Assessment Act 1936*. The exemption commenced on 19 November 2008 and has been extended to 30 June 2026.

Accordingly, the trading results during the period to 30 June 2026 have been treated as exempt from income tax.

Segment information

The Directors of the Company consider all of it operations to be covered by a single business segment operating in a single geographic area.

Owning and licensing the use of film and television stages is the sole business activity and this is undertaken within Australia.