

MELBOURNE
RECITAL
CENTRE

Annual Report
2022–2023



Angel Olsen performs to a sold-out audience in Elisabeth Murdoch Hall.
Image credit: Jackson Grant

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Responsible Body's Declaration

In accordance with the *Financial Management Act 1994* (Vic), I am pleased to present Melbourne Recital Centre's Annual Report for the year ending 30 June 2023.



Professor Andrea Hull AO

Chair, Melbourne Recital Centre
Melbourne Recital Centre
5 September 2023

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

Key Achievements: Report against Output Targets

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

We envisage a future where music is at the heart of an inspired global community of musicians and audiences, and that the Centre continues to inspire creativity, self-expression, learning and enrichment through accessible live music experiences.

The table below shows our results compared to our output targets.

	2021–22 results	2022–23 target	2022–23 results
Number of public events at the Melbourne Recital Centre	332	478	471
Attendance at public events at the Melbourne Recital Centre*	67,929	230,000	164,882
Number of Beyond the Centre events	120	168	142
Attendance at Beyond the Centre events	3,248	3,270	1,738
Participation by students*	4,763	12,000	15,616
Website (number of unique site visitors)*	575,345	650,000	996,628
Visitor satisfaction*	97%	95%	98%
All facility safety audits conducted*	1	1	1
Melbourne Recital Centre Members*	1,181	1,300	997
Volunteer hours*	619	650	673
Number of Australian artists and ensembles	219	2,091	2,161
Number of international artists and ensembles	8	–	245

*Denotes BP3 measures

The key information on this year's results compared to the targets is as follows:

Attendance at public events

The result is lower than target, which reflects changed audience behaviours we are seeing across the industry. However, attendance was significantly higher than the prior year.

Website (number of unique site visitors)

The result is higher than the target due to an increase in the Centre's audience development marketing for classical, contemporary, families and new music alongside our first full year of delivered programming in a number of years due to the pandemic.

Visitor satisfaction

A higher result compared to the target as 98% of people who completed our post-concert survey indicated that they were satisfied with their experience.

Melbourne Recital Centre Members

The result is lower than the target as June 2023 aligned with the expiration of many memberships that were extended multiple times during the past few years due to event disruption.

Volunteer hours

Exceeded the target in the number of hours given by Board and Committee members and volunteers supporting tours, events and other activities.

From Melbourne Recital Centre's Chair, Andrea Hull AO

It has been a year of great transition for Melbourne Recital Centre. The organisation continues to rebuild and go from strength to strength following the impacts of the pandemic. This year, the Centre proudly hosted 471 events across all musical genres and styles. Of these, 47 per cent were self-presented and 53 per cent were presented by our valued Key Presenting Partners and venue hirers. The breadth and depth of the Centre's live music program is what affirms the organisation as being truly unique both locally and internationally.

Whilst visitor attendance and ticket sales revenue have not yet returned to pre-2020 levels, the Centre has experienced steady growth in these areas and continues to learn from and respond to these trends accordingly. The financial year saw the Centre generate \$8.6 million from donors and commercial revenue and welcome 164,882 visitors. We received additional funding from the Victorian Government, above our recurrent annual funding, which assisted in funding the ongoing operations, ensuring a strong end of financial year with a net result before non-operating items of \$86,716; this will support the financial viability of the Centre in 2023–24.

We bid farewell to outgoing CEO, Euan Murdoch, with gratitude and good wishes in February. I extend my sincere thanks to Sarah MacPherson, Director of Corporate Services, for stepping into the role of Acting CEO during the transition in leadership.

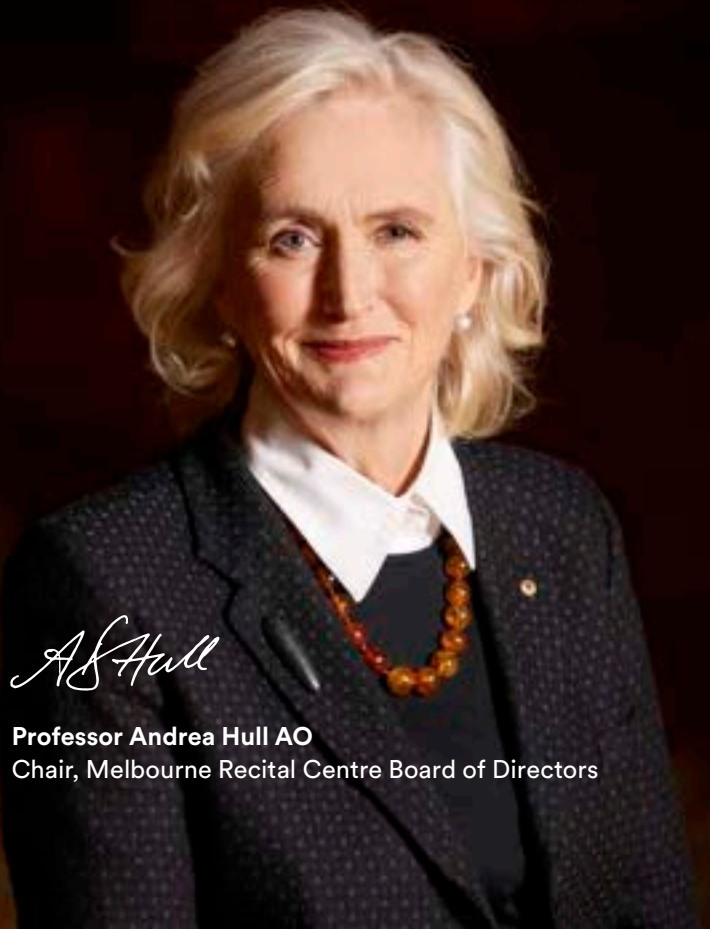
We also farewelled Board Director and Foundation Advisory Committee Chair Eda Ritchie, whose tenure in both roles came to an end. On behalf of the organisation, I thank Eda for her valuable contributions to the Melbourne Recital Centre over many years. With Eda's resounding endorsement, Board Director Jody Evans was appointed the Chair of the Foundation Advisory Committee, to steer the committee confidently through its next chapter.

The Centre was delighted to award Life Membership to Lady Primrose Potter AO, in grateful recognition of her extraordinary support and advocacy over many years. Lady Potter joins a small, dedicated and generous group of supporters who have enabled the transformation of the Centre through their unique contribution.

And of course, the Centre welcomed incoming CEO Sandra Willis to the organisation in April. In less than three months, Sandra has built bountiful relationships and demonstrated strong leadership in a time of great and ongoing change. My sincere thanks go to Sandra for immersing herself deeply in the complexities of the organisation and proactively identifying opportunities for growth that will achieve business and financial sustainability in the future.

As the year comes to a close, we look towards Melbourne Recital Centre's fifteenth year of operation and impact with determination and creativity. On behalf of the Melbourne Recital Centre Board of Directors, I thank the ongoing support of the Victorian Government, including the Minister for Creative Industries, Steve Dimopoulos MP; Secretary, Department of Jobs, Skills, Industry and Regions, Tim Ada; and Chief Executive, Creative Victoria, Claire Febey.

And thank you to every member of the Melbourne Recital Centre team for their hard work and dedication to creating and delivering high-quality memorable live music experiences for our community.



Professor Andrea Hull AO
Chair, Melbourne Recital Centre Board of Directors

From Melbourne Recital Centre's CEO, Sandra Willis

It has only been a few months since I commenced as Melbourne Recital Centre's new CEO in April. Yet it only took days, quite possibly just hours, to witness how passionate the Centre's team is about creating wonderful moments of connection with live music for the community, and the meaningful way the Centre contributes to Australia's vital live-music ecosystem.

I acknowledge and thank the Centre's outgoing CEO, Euan Murdoch, for his dedicated stewardship and leadership of the organisation over the past seven years, including throughout the challenging pandemic years.

My first weeks as CEO were multifaceted and lively. I am grateful to the Minister for Creative Industries, Steve Dimopoulos MP; Chief Executive, Claire Febey and the team at Creative Victoria; Director and CEO, Katrina Sedgwick OAM and the team at the Melbourne Arts Precinct Corporation; and the Centre's fellow precinct organisations for their time, candour and support as we continue to work together to revitalise the Melbourne Arts Precinct for arts-lovers and local and international visitors now and into the future.

Since commencing as CEO, I have experienced a range of outstanding live-music moments in our venues. These include the internationally renowned Brodsky Quartet, who after 50-plus years of performing and recording, announced confidently during their performance that Elisabeth Murdoch Hall is 'the best concert hall in the world'. There was also a magical relaxed performance with the Centre's Artist-in-Residence Mindy Meng Wang and a group of curious students from a range of special development schools, and an intimate concert with New Zealand pop singer Kimbra who captivated the entire room by asking the audience to withhold applause between songs and be 'one with the music and the room'. It was a joy to witness children and their families descend on the Centre for the Music Play Families Festival and rewarding to champion and platform new Australian music through the Centre's inaugural New Music Days program.

I extend my thanks and gratitude to Melbourne Recital Centre's Chair, Andrea Hull AO for her warm welcome and support, the Centre's Board of Directors and Committee Members for their significant voluntary contributions and ongoing support, our passionate community of donors, supporters, patrons and partners who champion the Centre in valued ways to make the Centre the musical gem that it is in the heart of the Melbourne Arts Precinct.

Thank you to the wonderful members of the Melbourne Recital Centre team for their warm welcome. Their dedication and commitment to audiences and artists are unrivalled, as is their evident passion for creating priceless opportunities that help everyone in our community connect with our past and present and imagine our future through the power of live music.

Looking forward to 2024 and beyond, I am invigorated by what the future of Melbourne Recital Centre holds, as we continue to revitalise the Centre's business model, strategic direction, community impact and financial sustainability for the benefit of the organisation and the sector, and in service to our community.



A handwritten signature in white ink that reads "Sandra Willis". The signature is fluid and cursive, written over the bottom left portion of her portrait.

Sandra Willis
CEO, Melbourne Recital Centre

Melbourne Recital Centre's Program Highlights: July 2022 to June 2023



Quarter One: ILLUMINATE

July 2022 kicked off with a season from The Wiggles, who are now a regular presence in our venue. Other artists and ensembles who performed in the venue include Ray Chen, the Air Force Band, Paco Peña, the Pinchgut Opera, our regular Key Presenting Partners, and many schools. Melbourne Recital Centre Presents continued to support Australian artists in performance in the Elisabeth Murdoch Hall and the Primrose Potter Salon, reflecting our commitment to the small-to-medium sector. Artist-in-Residence Erin Helyard presented *The Art of the Piano* in the Salon, showcasing three of our outstanding keyboard instruments. Learning and access programs continued to be delivered in aged care, both online and in

person, and our artist development stream continued to be delivered smoothly, in person and online.

The thirteenth Great Romantics Competition was won by pianist Reuben Tsang, and Song Play continued to provide important access to music for toddlers and their carers in our Ground Floor Foyer each Wednesday during term time. Sanctuary Suite, our midwinter festival of quiet listening, presented five outstanding acts in the Elisabeth Murdoch Hall from artists such as Lady Lash and Paul Grabowsky, as well as intimate performances in the Salon by Jaadwa composer and songwriter James Howard. Our Audience of One project continued to delight and move audiences, in a unique project in our spaces.

Quarter Two: BLOSSOM

The Melbourne International Jazz Festival returned with a strong season in October 2022, and our Key Presenting Partners continued their seasons. This quarter was impacted by a number of cancellations, as COVID-19 infections affected artists and travel plans. As part of our First Nations programming, the Centre presented the Australian Art Orchestra's *Fresh Water – Salt Water*, Short Black Opera's *Woven Song*, Embassy Tapestry Project and Kardajala Kirridarra as part of ALWAYS LIVE. The Tallis Scholars returned to the Centre in October 2022, the first international classical group to appear here since March 2020, with two sell-out performances of renaissance a cappella music. Barry Jones AC, one of Melbourne's great music lovers and supporters of the Centre, was feted at a concert in celebration of his ninetieth birthday. One of two Artists-in-Residence, Erin Helyard, appeared in recital with Miriam Allan and directed performances with the Pinchgut Opera. Our other Artist-in-Residence, Mindy Meng Wang, collaborated with sound artist Tim Shiel.



Deborah Cheetham Frailon AO performing in *Woven Song*.
Image credit: Kayzar

Quarter Three: HORIZON

International Classics replaced Great Performers in a refresh of the brand, opening with Paul Lewis playing Schubert in two stunning recitals. Australian soprano, Mildura-born Siobhan Stagg gave a stunning performance with Timothy Young. Jordi Savall triumphed in two typically superb performances to sell-out crowds. We partnered with Orchestra Victoria and Midsumma for two programs in January 2023. Our 2023 Artist-in-Residence, Mindy Meng Wang, opened our season with a delicate and thoughtful performance with Paul Grabowsky (our inaugural Artist-in-Residence). Contemporary artists appearing included Laura Jean, The Chills + Parsnip, Angel Olsen and Nakhane, fresh from the World Pride festival. Opera Australia presented leading tenor Michael Fabiano in recital, and the Music House presented Madeleine Peyroux in a welcome return performance. We supported Musica Viva Australia in creative development for a new work and The Cage Project, by Matthias Schack-Arnott, which went on to appear at the Adelaide and Perth festivals. We announced Yuin composer Brenda Gifford as the recipient of the fifth Merlyn Myer Music Commission.



2023 Artist-in-Residence Mindy Meng Wang on stage in the Elisabeth Murdoch Hall. Image credit: Natalie Jurrjens



A young Conduct Us participant, part of Music Play.
Image credit: Laura Manariti

Quarter Four: IMMERSION

Music Play is always a highlight of this quarter, and the entire venue was alive with performances, workshops, activities and adventures for kids and families. The Betty Amsden Commission for 2023 went to Playable Streets to enable new musical scores and performances to complement its magical installation, The Plants. Emma Donovan and Regurgitator created magic in the Elisabeth Murdoch Hall, and Madame Lark created wonder in our public spaces. A new initiative, New Music Days, focused on three areas of new composition: female artists, First Nations creators and the environment. This dynamic new project was acclaimed by audiences and artists and saw Melbourne Recital Centre activated in a compelling new way. RISING festival presented three discrete programs, including two sold-out Paul Kelly performances, and a takeover of the entire venue by Speak Percussion for their immersive and

captivating world premiere showing of Sonic Eclipse. The fourteenth annual Bach Competition was won by viola player Jamie Miles. The Wiggles bookended our year during a four-day residency with all the colour and movement we have come to love. Visual artist Gosia Wlodarczak was in residence on our grand staircase, drawing her observations of life inside and outside the building, in a whimsical and thought-provoking commentary on our place in the precinct. The initiative was supported by the Melbourne City Revitalisation Fund, a Victorian Government and City of Melbourne partnership. The Brodsky Quartet proclaimed that the Centre was ‘the best hall in the world’ to a delighted audience. Our Regional Touring program continues to grow, with performances in Castlemaine, Benalla and Healesville.

Key Presenting Partners and Hirers

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

Thank you to our Key Presenting Partners and Hirers

3MBSFM	Hoang Pham Productions	RISING
Abstract Touring	Incy Wincy Promotions	Royal Melbourne Hospital Foundation
Air Force Band	John Noble	Ruyton Girls' School
Alexandra Flood	Korowa Anglican Girls' School	Sacré Coeur
Always Live	Kristian Chong and Friends	Sally Hutchinson
Australian Boys Choral Institute	Kristie Thai	Secret Sounds
Australian Brandenburg Orchestra	Lauriston Girls' School	Selby & Friends
Australian Chamber Orchestra	Lazy Eye Records	St Catherine's School
Australian College of the Arts	Lisa Engel	St Michael's Grammar School
Australian Girls Choir	Live Nation Australasia	Sydney International Piano Competition
Australian Guzheng Academy	Loreto Mandeville Hall Toorak	The Music House
Australian National Academy of Music	Love Police Touring	The University of Melbourne
Australian New Goldberg Orchestra	Lowther Hall Anglican Grammar School	The Wheeler Centre
Australian String Quartet	Mac.Robertson Girls' High School	The Wiggles
Australian Turkish Assistance Foundation	Magnetic Promotions	The Wild Faery Company
Australian Youth Orchestra	Master Performers	This Space Event Studio
Betty Amsden Foundation	Meg Mac Music	Trinity Grammar School
Camberwell Girls' Grammar School	Melbourne Bach Choir	Victoria Welsh Choir
Chao Feng Chinese Orchestra	Melbourne Chamber Orchestra	Victorian Association of Performing Arts Centres
Circle Studios	Melbourne Ikebana Festival	Victorian College of the Arts Secondary School
Cloud Concert Youth Orchestra	Melbourne International Jazz Festival	Victorian Curriculum and Assessment Authority
Consulate-General of the Republic of Korea	Melbourne Opera	Victorian Opera
Cult Cinema	Melbourne Polytechnic	Vov Dylan
David Roy Williams Entertainment	Melbourne String Ensembles	Wesley College, Glen Waverley
Department of Education North-Eastern Victoria Region	Melbourne Symphony Orchestra	Wesley College, St Kilda
Down-Under Concert Direction	Melbourne Youth Orchestras	Westbourne Grammar School
ELISION	Methodist Ladies' College	Yamaha Music Australia
Fintona Girls' School	Music in the Sky	Zelman Symphony
Flinders Quartet	Musica Viva Australia	
	Omega Ensemble	
	Opera Australia	
	Pinchgut Opera	



Paul Kelly performing to a sold-out audience as part of RISING.
Image credit: Laura Manariti

Australian and World Premieres

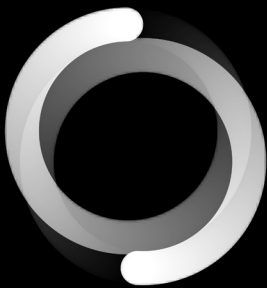
In 2022–23, there were 13 Australian premieres and 46 world premieres.

Composer	Work	Performer	Date
Gulliver Poole	Forlorn for Alto Saxophone and Piano	Duo Eclettico	04/07/2022
Louise Trewartha	Fire Line Suite for Soprano Saxophone and Piano	Duo Eclettico	04/07/2023
Alex Turley	In Flow	Arcadia Winds	06/07/2022
Elizabeth Younan	Kismet	Arcadia Winds	06/07/2022
Luke Severn	Two Goethe Songs	Songmakers Australia	19/07/2022
Roger Heagney	Winter Prayer	Songmakers Australia	19/07/2022
Nat Bartsch	Just Us	Nat Bartsch	29/07/2022
Kate Moore	The Bloodwood Series	The Sound Collectors Lab	15/08/2022
Jonathan Heilbron	Tower Lake Temple	Phonetic Orchestra	15/08/2022
Rafael Karlen	Overhead	Rafael Karlen with The Partridge String Quartet	19/08/2022
Rafael Karlen	Simple Story	Rafael Karlen with The Partridge String Quartet	19/08/2022
Rafael Karlen	Burden of Choice	Rafael Karlen with The Partridge String Quartet	19/08/2022
Richard Barrett	venus	ELISION	25/08/2022
Ēriks Ešenvalds	Morning Mist	Duo Kirsanova-Lewis	31/08/2022
Carl Vine	Sonata No.4	Lindsay Garritson	26/09/2022
Wally Gunn, Maria Zajkowski	I Heart Artemis	The Consort of Melbourne	27/09/2022
Lyle Chan	Gravity and Levity on the Sunbreathing Earth	Nexas Quartet and Emily Granger	05/10/2022
Michael Duke	Angels and Demons	Nexas Quartet and Emily Granger	05/10/2022
K Travers Eira	pathways-faultlines-fractures	Ossicle Duo	24/10/2022
Gemma Peacocke	Sky Fields	Rubiks Collective	26/10/2022
Leah Blankendaal	Beacon	Rubiks Collective	26/10/2022
Elizabeth Younan	Fantasia No.8 for Solo Bassoon	Arcadia Winds	02/11/2022
Zulya Kamalova	The Wing of the Goose (Big Tartar Voyage)	Zulya and the Children of the Underground	12/11/2022
Zulya Kamalova	Shall We Fly?	Zulya and the Children of the Underground	12/11/2022
Natalie Nicolas	Blue	Flinders Quartet	14/11/2022
Naomi Brown	Fractured Picture	Flinders Quartet	14/11/2022
Claire Higgins	Fragment #133	Flinders Quartet	14/11/2022

○ World premiere ○ Australian premiere

Composer	Work	Performer	Date
Clare Strong	Tribute to LvB	Flinders Quartet	14/11/2022
Claire Farrell	fugue state	Flinders Quartet	14/11/2022
Callum G'Froerer	Charcoal 10.2	Callum G'Froerer	30/11/2022
Callum G'Froerer	Charcoal 16	Callum G'Froerer	30/11/2022
Callum G'Froerer	Charcoal 17	Callum G'Froerer	30/11/2022
Callum G'Froerer	Charcoal 18	Callum G'Froerer	30/11/2022
Ruth Roshan	Suite Noir	Ruth Roshan and Chamber Noir	02/02/2023
Traditional Sevdah	Na teferič pošla nana (Grandma Goes to the Picnic)	SARAY Iluminado	07/02/2023
Traditional Sevdah	Kraj Pendzera Jusuf Stari (Old Joseph's Song in the Window)	SARAY Iluminado	07/02/2023
Benjamin Skepper	Praeludium y Fuga	Benjamin Skepper	10/02/2023
Kathleen Tagg	This Be Her Verse	Siobhan Stagg and Timothy Young	20/02/2023
Lizzy Kuoth	Sunflower	The Resonant Heart	08/03/2023
Nela Trifkovic	Tremor	The Resonant Heart	08/03/2023
Georgie Darvidis	On the Floor	Georgie Darvidis	11/04/2023
Georgie Darvidis	Very Personal Best	Georgie Darvidis	11/04/2023
Georgie Darvidis	I Did What I Did Wrong	Georgie Darvidis	11/04/2023
Georgie Darvidis	Gone Squandrin'	Georgie Darvidis	11/04/2023
Georgie Darvidis	Early Bird	Georgie Darvidis	11/04/2023
Aaron Cassidy	piano concerto	ELISION	20/04/2023
Liza Lim	Extinction Events and Dawn Chorus	ELISION	20/04/2023
Lisa Illean	arcing, stilling, bending, gathering	ANAM	21/04/2023
Declan Postlethwaite	Lagom	Antelodic	29/04/2023
Rosalind Page	Empatia	Sophia Kirsanova and Timothy Young	19/05/2023
Viet Cuong	water, wine, brandy, brine	WHACKollective	25/05/2023
Tonia Ko	real voices and imagined clatter	WHACKollective	25/05/2023
Sarah Nemtsov	void imaginings	WHACKollective	25/05/2023
Thomas Adès	Märchentänze	Anthony Marwood and Stefan Cassomenos	25/05/2023
Aditya Bhat	... long awake in the wind-loud darkness	ANAM	30/05/2023
Ben Rowarth	The Turn	Divisi Chamber Singers	08/06/2023
Cathy Milliken	TO SING	Speak Percussion	15/06/2023
Damien Rickertson	Is Anybody There?	Speak Percussion	15/06/2023
Erkki Veltheim	The Sacred Table of Saturn (from The Divine Order of Celestial Numbers)	Speak Percussion	15/06/2023

Strategic Framework



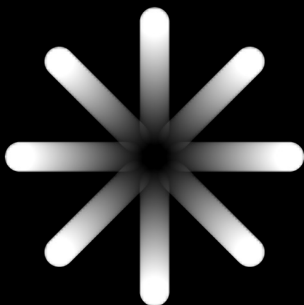
Our Vision

Create wonder for everyone, in and beyond the Melbourne Recital Centre



Our Purpose

To inspire through music



Our Mission

Where artists and audiences build a lifetime of experiences



Audiences

Goal: We welcome a broad audience supported by an inclusive environment with a range of experiences

Three-year priority actions:

1. Expand and enhance our connection with audiences
2. Strengthen the Centre's brand

KPI:

- 250,000 visitors welcomed by 2024
- 95% visitor satisfaction (BP3s)



Artists

Goal: We nurture and showcase artists throughout their careers

Three-year priority actions:

1. Provide professional development for artists across their careers
2. Establish the Centre as the partner of choice for artists

KPI:

- 1000 Australian artists and ensembles by 2024
- 85% artist satisfaction by 2024



Influential and Confident Collaborator

Goal: We seek and lead collaborations with other organisations that want to engage with the creative industries

Three-year priority actions:

1. Strengthen relationships with our key stakeholders
2. Establish powerful partnerships and collaborations within and beyond the arts sector

KPI:

- 25% increase in beneficial collaborations



Embed Digital

Goal: We develop an enterprising digital capability

Three-year priority actions:

1. Strengthen infrastructure to support digital delivery
2. Develop robust, creative and collaborative activities and services

KPI:

- 1 million website visits by 2024 (BP3)



Develop the Centre

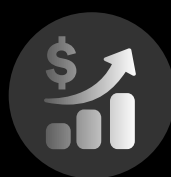
Goal: We significantly expand our reach, infrastructure, donor base, and our organisational culture and capability

Three-year priority actions:

1. Maximise the use and yield of our available asset's footprint
2. Optimise the visitor experience
3. Embrace a bold and innovative culture
4. Strengthen organisational digital literacy

KPI:

- 10% internal investment by 2024
- 75 points employee engagement index



Financial Sustainability

Goal: We cultivate a sustainable business model, incorporating diverse revenue streams

Three-year priority action:

1. Implement a financially sustainable business model

KPI:

- Net operating balance is 5% of total revenue

Development Impact Report

The inspiring support we receive each year from our loyal philanthropic community ensures that the Melbourne Recital Centre continues to flourish as Victoria's home of extraordinary live music. We offer a sincere thank you to each and every one of our supporters, whose generosity brought to life hundreds of opportunities for thousands of music lovers from all walks of life to come together and share life-enhancing musical experiences.

In the 2022–23 financial year, our Music Circle supporters made a profound impact on Melbourne's vibrant musical scene by contributing to our unique, self-presented musical program that showcased the best local music and musicians across a wide range of genres and styles. This also provided a platform in our city for the greatest artists from around the world to perform at their very best.

Donors to our Artist Development programs made a direct investment in our collective musical future by providing artists and ensembles at the early stages of their careers with life-changing opportunities to debut on our stages, hone their skills in open rehearsals, and be inspired by the mentorship of today's best professional musicians.

In addition, the generous donors who contributed to our heart-warming learning and access programs delighted and encouraged thousands of people in our community who ordinarily face barriers to accessing, or participating in, the special joy of live music.

To all of our supporters, thank you for the role you play in enriching lives and helping to ensure a bright musical future for our whole community.

Life Membership awarded to Lady Primrose Potter AC

As a passionate advocate for musical excellence and artist development, Lady Primrose Potter AC has enjoyed a long-standing connection with the Melbourne Recital Centre.

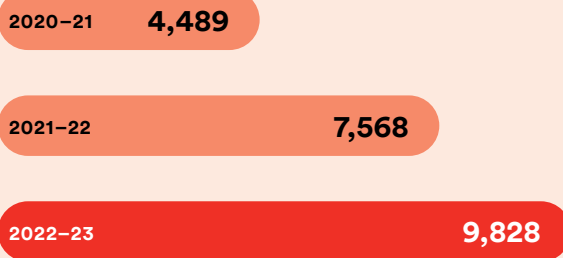
In 2018, the Centre was pleased to acknowledge Lady Potter's extraordinary support by naming the Primrose Potter Salon in her honour. As Salon Program Benefactor, Lady Potter's contribution to the Melbourne Recital Centre's musical life goes beyond her transformative philanthropy. She is a staunch advocate for Australian musicians at all career stages, and she works tirelessly to encourage and support the lives and livelihoods of local artists, many of whom regularly bring the Centre to life with their performances.

In recognition of Lady Potter's extraordinary contribution to, and advocacy for the Centre's work creating performance and development opportunities for local artists, the Board of Directors was delighted to award Lady Potter with Life Membership of the Centre at a special celebration lunch on 22 February 2023.

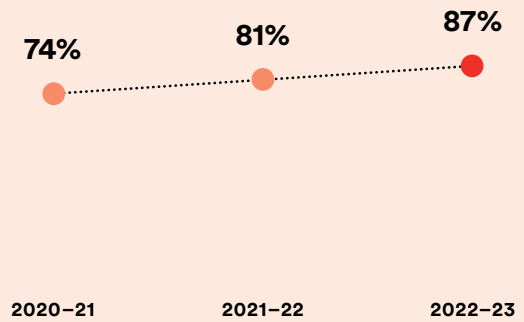
The Melbourne Recital Centre's Life Members (left to right) Richard Mills AM, Richard Gubbins, Jim Cousins AO, Jordi Savall, Penny Hutchinson, Margaret Farren-Price and Ronald Farren-Price AM, Lady Primrose Potter AC, Deborah Cheetham-Fraillon AO and Lin Bender AM (Absent: Kathryn Fagg AO, Stephen McIntyre AM and Mary Vallentine AO)



Number of donations made



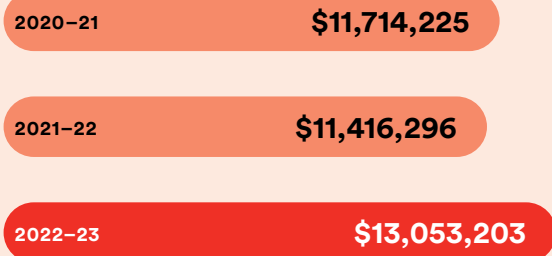
Renewing major gift donors



Development income



Value of public fund



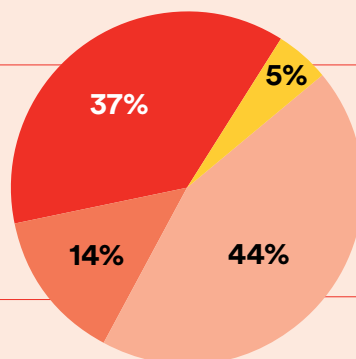
The Melbourne Recital Centre's 2022-23 income

State government grants
\$5,575,966

Other income
\$723,462

Other grants, donations
and sponsorship
\$2,163,379

Commercial operations
\$6,748,051



The Impact of the Centre's Donor and Partner Community in 2022-23

Program Area

Support for a vibrant musical program and our local artists



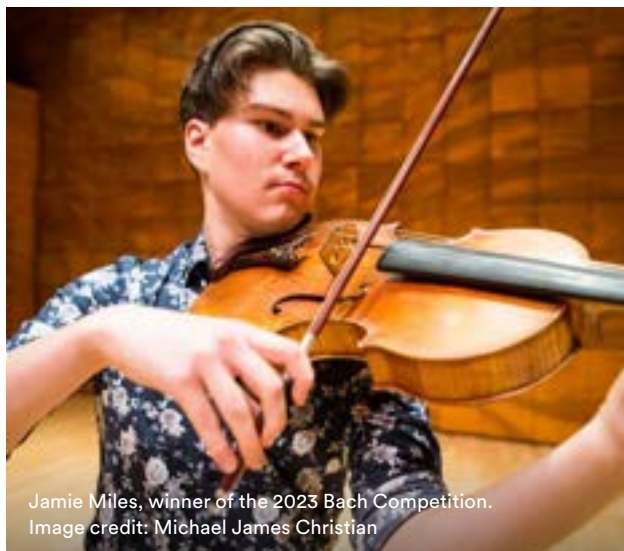
Jordi Savall rehearsing prior to his Signature Event performances. Image credit: Laura Manariti

*Thank you for taking a chance on this brand-new work.
(Glen, The Plants)*

2022-23 outcomes

- Two outstanding Signature Event concerts featuring The Tallis Scholars, and Jordi Savall.
 - Eight International Classics concerts.
 - Four Chamber Now concerts.
 - 126 concerts were performed in the Primrose Potter Salon by local artists through our unique co-presenting model.
 - 19 new works were performed, and 56 artists engaged, across three days in April 2023 for the inaugural New Music Days Festival.
 - Our annual children's festival, Music Play, attracted 1,396 young people and their families to the Centre for fun and music.
 - Two Artists-in-Residence were hosted at the Centre for a range of performances and development opportunities: Mindy Meng Wang (guzheng) and Erin Helyard (fortepiano and harpsichord).
 - The Live from Melbourne Recital online library created a free-to-access digital platform for audiences from around the world to experience recordings and live-streamed concerts from the Centre, as well as selections from our digital archives.
 - The 2022 Merlyn Myer Music Commission was awarded to acclaimed composer and proud Yuin woman, Brenda Gifford. The commissioned piece, Wadhu/Skin, will have its world premiere performance in the Primrose Potter Salon in late 2023.
-

Program Area
2022–23 outcomes

Enriching artist development opportunities


Jamie Miles, winner of the 2023 Bach Competition.
Image credit: Michael James Christian

'This is awesome news, thank you so, so much for your support. This is going to be so beneficial to my professional and business development. Thank you for the opportunity.' (2023 Artist Assembly grant recipient)

'Being chosen to have my composition played by the Flinders String Quartet at the Melbourne Recital Centre was an amazing opportunity that I am incredibly grateful for. It was incredible working with such talented musicians and hearing their professional input during workshops that helped bring the piece to life. This program gave valuable insight into the music industry and how a professional piece is continually improved and developed. I am so thankful. This experience is one I will never forget.' (2022 Making Waves participant)

- Accelerando Young Artist Mentoring Program: Eight young musicians in 2022, and six in 2023, took part in a broad program of unique professional development opportunities tailored towards careers in music.
- Six finalists competed in the 2022 Great Romantics Competition. The Elisabeth Murdoch Prize was won by Reuben Tsang (piano).
- Nine finalists under the age of 18 took part in the in the 2023 Bach Competition. The Richard Mills Prize was won by Jamie Miles (viola) and was presented live in the Elisabeth Murdoch Hall.
- Nine young musicians participated in master classes across three sessions in the Primrose Potter Salon.
- The Making Waves program provided opportunities for 14 student composers to experience their works performed and recorded by professional local artists.
- Five business investment grants totalling \$24,230 were awarded to local ensembles through the Artist Assembly program.

Empowering learning and access programs


Mindy Meng Wang talking to the audience during her Relaxed Performance.

- 563 people accessed live performances at the Centre through the Share the Music program.
 - Four Music Always tours (32 performances) reached 1,234 audience members across six aged-care sector partners.
 - 112 participants took part in the Sound Matters and Sound Vibrations Disability Stream workshop programs.
 - Seven families joined the Music Production Mentoring program for teenagers who are blind or have low vision.
 - A full program of eight Relaxed Performances were delivered for schools and community groups, reaching 520 audience members.
 - Through the Song Play and Song Play With Vision Australia early childhood live music program, 161 children under the age of four were introduced to the joy of live music through 104 sessions.
-

Inspired Giving

MUSIC CIRCLE

Thank you to the generous donors who support the depth and vibrancy of our musical program. Music Circle supporters play a crucial role in ensuring that we can continue to present a broad range of the greatest musicians from Australia and around the globe.

Salon Program Benefactor

Lady Primrose Potter AC

\$30,000+

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

Joy Selby Smith

\$20,000+

The Peggy & Leslie Cranbourne Foundation

Cathy Simpson & John Simpson AM (Signature Event Circle)

\$10,000+

Anonymous (1)

John Bates & Lorraine Bates

Esther Benjamin & Brian Benjamin

Warwick Bisley & Paulette Bisley

Jim Cousins AO & Libby Cousins AM (Signature Event Circle)

Barbara Hutchinson in memory of her late husband Darvell M Hutchinson

Konfir Kabo & Monica Lim

Jane Kunstler

Andrew Wheeler AM & Jan Wheeler (Signature Event Circle)

Igor Zambelli (Signature Event Circle)

\$7,500+

Alex King (Signature Event Circle)**

\$5,000+

Arnold & Mary Bram

John Castles AM & Thelma Castles OAM

The Hon Susan Crennan AO KC & Michael Crennan KC

Mary Draper

Kathryn Greiner AO

Diana Lempriere

Maria McCarthy

Janet Thomson

Lyn Williams AM

Youth Music Foundation Australia (Signature Event Circle)

\$2,500+

Donald Abell

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Assoc Prof Jody Evans

Jo Fisher & Peter Grayson

Colin Golvan AM KC & Dr Deborah Golvan**

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Emeritus Professor Margaret Plant

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Sirius Foundation

Maria Sola

Jenny Tatchell

Dr Victor Wayne & Dr Karen Wayne OAM

\$1,000+

Anonymous (5)

Clare Acherson

Robert Baker

Michael Bennett & Kate Stockwin^

Kaye Birks in the memory of David

Helen Brack

Debbie Brady

Jannie Brown

Maggie Cash

The Hon Alex Chernov AC KC & Elizabeth Chernov

Kaye Cleary

Christine & Michael Clough

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Brian Crisp

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The Hon Justice Julie Dodds-Streeton**

Brigitte Treutenaere & Paul Donnelly

Lord Francis Ebury & the Late Lady Suzanne Ebury

Kathryn Fagg AO & Kevin Altermatt

Margaret Farren-Price & Prof Ronald Farren-Price AM

Andrew Firestone

Mark Freeman

Kingsley Gee

Ann Gordon

Gras Foundation Trust

The Hon David L Harper AM**

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Alistair Hay & Dr Jennifer Miller

Robert Heathcote**

Peter Heffey

Doug Hooley

Jenny Hordern & Peter Hordern

John Howie AM & Dr Linsey Howie*

Prof Andrea Hull AO

In memory of the Late Harry Johnson

Norah Breekveldt & Andrew Katona*

Angela Kayser

Assoc Prof Sebastian King^

Maryanne B Loughnan KC**

In memory of John Price

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Susan Pelka & Richard Caven

Christopher Reed

Ralph Renard & Ruth Renard

Resonance Fund – Michael Cowen & Sharon Nathani

Eda Ritchie AM

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Viorica Samson

Terry Sawyer & Margaret Sawyer

Jacqueline Schwarz

Greg Shalit & Miriam Faine

Dr Vaughan Speck

Iain Stewart

Helen Symon KC & Ian Lulham

Dr Michael Troy

The Ullmer Family Foundation

Jennifer Whitehead

\$500+

Anonymous (5)

Jenny Anderson

Maureen Barden

Liz Baré & Charles Baré

Catherine Belcher

Dr David Bernshaw & Caroline Isakow

The Hon Justice David Byrne KC

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Jean Dunn

Chris Egan

Susan Fallaw

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Janine Gleeson

The Hon Hartley Hansen AM KC & Rosalind Hansen**

Dr Robert Hetzel

Rosemary Houseman & David Houseman

Assoc Prof James Hurley

Joan Janka

Dr George Janko

Dr Garry Joslin

Irene Kearsey & Michael Ridley

Sean King

Daniel Kirkham

Angela & Richard Kirsner

Dr Anne Lierse AM

Helen Lovass

Barbara Manovel

Jennifer K Marshall

Jane Morris

Helen Perlen

Kerryn Pratchett

Jim Short

Simon Strickland

Bernard Sweeney

Charles Tegner

Robin Usher & Mandy Meade

Helen Vorrath

Tony Way

ACCESS TO MUSIC AND LEARNING OPPORTUNITIES FOR ALL

Thank you to the generous donors who support our extensive learning and access program, which brings the joy of music into the lives of many in our community who might otherwise miss out.

\$100,000+

Prof Dimity Reed AM

\$20,000+

Krystyna Campbell-Pretty AM

\$10,000+

The Calvert-Jones Foundation
Canny Quine Foundation
Gailey Lazarus Foundation
The Hon Justice Michelle Gordon AC & the Hon Kenneth M Hayne AC KC**
The Sentinel Foundation

\$5,000+

Anne Burgi & Kerin Carr
The Jack & Hedy Brent Foundation
D & X Williamson Family Charitable Fund

\$2,500+

Kathy Deutsch & Dr George Deutsch OAM

\$1,000+

Anonymous (1)
Keith & Debby Badger
Debbie Brady
Maria Hansen
Doug Hooley
Dr Barry Jones AC & Rachel Faggetter
Prof John Langford AM & Julie Langford
Ann Miller
The Hon Ralph Willis AO & Carol Willis

\$500+

Anonymous (1)
Kevin Byrne
Jack Fajgenbaum & Vivien Fajgenbaum
Nina Friedman & Jarrad Pyke
June K Marks
Miriam McDonald
Lorraine Moir
Andrew & Georgina Porter
Dr Ronald Rosanove & Elizabeth Rosanove

NURTURING ARTISTIC DEVELOPMENT

Thank you to the generous donors who support our enriching artist development programs for emerging local musicians. Their support is helping to ensure a vibrant musical future for all Victorians.

Betty Amsden Kids and Family Program Benefactor

The late Betty Amsden AO DSJ

Young Artist Development Benefactor

The Peggy and Leslie Cranbourne Foundation
Merlyn Myer Music Commission
The Aranday Foundation
The Yulgilbar Foundation

\$30,000+

Margaret S Ross AM & Dr Ian C Ross

\$10,000+

Warwick Bisley & Paulette Bisley
George Embelton & Laila Embelton
Julie Kantor AO
The Vizard Foundation

\$5,000+

Anonymous (1)
Dr Mary-Jane Gething AO
Tom Smyth**

\$2,500+

Peter J Stirling & Kimberley Kane**

\$1,000+

Peter J Armstrong*
Zoe Brinsden*
Timothy Goodwin**
In memory of the Late Harry Johnson
Martine Letts
Rosemary O'Connor*
Anne Runhardt & Glenn Reindel
Christine Sather*

\$500+

Leslie Thiess

A LASTING LEGACY

Thank you to this extraordinary group of donors for supporting the future of Melbourne Recital Centre both now and for generations to come.

Inaugural Patrons

Jim Cousins AO & Libby Cousins AM

Anonymous (4)

Jenny Anderson

John & Lorraine Bates

The Late Betty Amsden AO DSJ

Barbara Blackman AO

Jennifer Brukner OAM

Ken Bullen

Jen Butler

The Estate of Beverley Shelton & Martin Schönthal

Kingsley Gee & Zhen Fu Guan

Charles Taylor Hardman

Jenny & Peter Hordern

Dr Garry Joslin

Jane Kunstler

Christopher Menz & Peter Rose

Janette McLellan

Rosemary O'Connor

Elizabeth O'Keefe

Penny Rawlins

Prof Dimity Reed AM

Vivienne Ritchie AM

Sandy Shaw

Mary Vallentine AO

TAKE YOUR SEAT

Thank you to the donors who have dedicated an Elisabeth Murdoch Hall seat in the last twelve months.

Michael Bennett

Bill Burdett AM & Sandra Burdett

Anne Burgi

Kerin Carr

Andrew & Theresa Dyer

Colin Golvan AM KC & Dr Deborah Golvan

Penny Hutchinson

Kate Irving

Jane Keech

Susan Keech

Ian & June Marks

Christina McLeish

Shelley & Euan Murdoch

Susan Riebl

* Ensemble Giovanne

** Legal Friends

^ Medical Friends

List of patrons as at 30 June 2023



Kimbra performing in Elisabeth Murdoch Hall.
Image credit: Jackson Grant

Our Supporters

Founding Patron

The Late Dame Elisabeth Murdoch AC DBE

Board Members

Professor Andrea Hull AO, Chair

Deborah Cheetham Fraillon AO

The Hon Mary Delahunty

Paul Donnelly

Assoc Prof Jody Evans

Liz Grainger

Monica Lim

Peter McMullin AM

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Lin Bender AM

Deborah Cheetham Fraillon AO

Jim Cousins AO

Kathryn Fagg AO

Margaret Farren-Price &
Ronald Farren-Price AM

Richard Gubbins

Penny Hutchinson

Julie Kantor AO

Stephen McIntyre AM

Richard Mills AM

Lady Primrose Potter AC

Jordi Savall

Mary Vallentine AO

Founding Benefactors

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Helen Macpherson Smith Trust

Robert Salzer Foundation

The Hugh Williamson Foundation

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FAMILY) FUND

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FOUNDATION

THE CANNY QUINE
FOUNDATION

THE PEGGY
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FOUNDATION

THE MARIAN
& **E.H. FLACK**
TRUST

GRAS FOUNDATION
TRUST

GAILEY LAZARUS
FOUNDATION

THE MARD
FOUNDATION

MERCER FAMILY
FOUNDATION

M.S. NEWMAN FAMILY
FOUNDATION

THE SENTINEL
FOUNDATION

SIRIUS
FOUNDATION

THE ULLMER FAMILY
FOUNDATION

D & X WILLIAMSON FAMILY
CHARITABLE FUND

Our People

Board of Directors



Prof. Andrea Hull AO



Prof. Deborah Cheetham AO



The Hon. Mary Delahunty



Paul Donnelly



Assoc. Prof. Jody Evans



Liz Grainger



Monica Lim



Peter McMullin AM



Eda Ritchie AM

Professor Andrea Hull AO

Appointed 10 June 2019

Reappointed 3 March 2022

Professor Andrea Hull AO was the Director and Chief Executive Officer of the Victorian College of the Arts from 1995 to 2008, leading major capital works projects and fundraising campaigns. Professor Hull has made a significant contribution to Victoria's cultural landscape and Melbourne's Arts Precinct having served on the Boards or Trusts of the Arts Centre, NGV and MTC. A former Chair of the ABC Advisory Council, Professor Hull has held Board positions across the breadth of Australia's cultural and not-for-profit sectors, including at the Florey Institute, the National Museum of Australia, the Breast Cancer Network of Australia, and the Melbourne Forum. She is Professor Emeritus of The University of Melbourne and consults widely on problem-solving, cultural management and executive coaching. She holds a BA Dip Ed (Univ of Sydney); MBA (MBS, Univ of Melb); Hon Doctorate in the Visual and Performing Arts (Univ of Melb); and FAICD.

Professor Deborah Cheetham Fraillon AO

Appointed 7 October 2019

Reappointed 3 March 2022

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

The Honourable Mary Delahunty

Appointed 1 July 2016

Reappointed 18 March 2019 and 3 March 2022

The Honourable Mary Delahunty is a non-executive Board Member of the McClelland Sculpture Park and Gallery; a non-executive Board Member of the National Library of Australia; a graduate of the Australian Institute of Company Directors; a former Victorian Minister for the Arts, Minister for Planning, and Minister for Education; a non-executive Board

Member of The Centre for Advancing Journalism at The University of Melbourne; a former interviewer and presenter on ABC's 7.30 Report and Four Corners; and a Gold Walkley Award Winner for international reporting.

Paul Donnelly

Appointed 22 June 2015

Reappointed 3 March 2018 and 15 March 2021

Mr Paul Donnelly is the Chief Executive Officer of Flagstaff Partners. He is a Graduate Member of the AICD and a Fellow of the Institute of Chartered Accountants in England and Wales. He has a Bachelor of Science (Honours) and attended the Advanced Management Program at Harvard Business School.

Associate Professor Jody Evans

Appointed 25 June 2018

Reappointed 15 March 2021

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

Liz Grainger

Appointed 3 March 2020

Reappointed 3 March 2023

Ms Liz Grainger is a chartered accountant and a Graduate Member of the AICD. She provides consultancy services to a wide range of public and not-for-profit organisations in the areas of strategy, governance, public sector funding and financial management. Ms Grainger has held executive roles at Deloitte in London and in the Federal and Victorian public sectors. She is a former Board Member of Craft Victoria and Arena Theatre Company, and is currently a Director of VicScreen, Geografia, and The Mission to Seafarers Victoria Inc. She has also served as an external member on the Audit and Risk Committees of Victoria Police, Southern Metropolitan Cemeteries Trust and VicScreen and currently serves in this capacity for Energy Safe Victoria.

Monica Lim

Appointed 15 March 2021

Ms Monica Lim is a pianist and composer of classical, contemporary and experimental music. She has produced work for theatre, contemporary dance, installations and film, and composed solo and ensemble instrumental pieces. Ms Lim is currently undertaking postgraduate research at the Faculty of Fine Arts and Music, The University of Melbourne, in gesture-led composition. She is a Co-founder of Project Eleven and serves on the Board of Liquid Architecture as well as the Member's Council for Musica Viva Australia.

Peter McMullin AM

Appointed 15 March 2021

Mr Peter McMullin is the Chairman and Director of the McMullin Group. He is also the founder of the Good Business Foundation; a Special Counsel at Cornwalls; an Honorary Consul of Georgia; a Board Member of WorkSafe Victoria; and the Vice-President of the Confederation of Asia Pacific Chambers of Commerce and Industry.

Eda Ritchie AM

Appointed 14 July 2014

Reappointed 6 March 2017 and 3 April 2020

Retired 2 March 2023

Ms Eda Ritchie is a community service leader in education, government, and the arts. Ms Ritchie was a Council Member at The University of Melbourne (2005–2014); a Chairman of the Victorian College of the Arts Foundation; a Trustee of the R E Ross Trust; and a former inaugural Chairman and Board Member of Port Fairy Spring Music Festival. Ms Ritchie was also a Board Member of Melbourne University Publishing, the Rural Finance Corporation, the Howard Florey Institute, and various government organisations involving natural resource management, health and local government.

Board observers (non-voting):

Kirsten Glenwright (January – December 2022)
and Clare Acheson (February – December 2023)

Our People, Committees and Executive Management

As at 30 June 2023

Board Committees

Finance, Audit, Investment and Risk Management Committee

Paul Donnelly, Chair (*independent member*)
 Associate Professor Jody Evans
 (*independent member until 15 November 2022*)
 Liz Grainger (*independent member*)
 Professor Andrea Hull AO (*independent member*)
 Mark Freeman (*external member*)

Governance, Remuneration and Nominations Committee

The Honourable Mary Delahunty, Chair
 Professor Deborah Cheetham Fraillon AO
 Liz Grainger
 Professor Andrea Hull AO
 Peter McMullin AM

Committee of Management, Melbourne Recital Centre

Professor Andrea Hull AO, Chair
 Professor Deborah Cheetham Fraillon AO
 The Honourable Mary Delahunty
 Paul Donnelly
 Associate Professor Jody Evans
 Liz Grainger
 Monica Lim
 Peter McMullin AM
 Eda Ritchie AM

Foundation Advisory Committee

Associate Professor Jody Evans, Chair (*from March*)
 Eda Ritchie AM, Chair (*until March*)
 Monica Lim
 Peter McMullin AM
 Peter Armstrong (*external member*)
 Zoe Brinsden (*external member*)
 Jim Cousins AO (*external member*)
 Alex King (*external member*)
 Christine Sather (*external member*)

Executive Committee

Professor Andrea Hull AO, Chair
 The Honourable Mary Delahunty
 Paul Donnelly
 Eda Richie AM (*until March*)
 Associate Professor Jody Evans (*from March*)

Executive Management

Chief Executive Officer

Sandra Willis, *Appointed 3 April 2023*

Sandra Willis is a multi-talented and widely respected Melbourne-born and raised arts executive with extensive experience in the strategic leadership of organisations. She brings 25 years of experience in the arts sector to the role, with a career spanning executive leadership, theatrical producing, and production, stage and event management and serving on boards. Ms Willis has played a pivotal role in shaping some of Australia's most noteworthy organisations, including Opera Queensland, Opera Australia, Arena Theatre Company, Oz Opera and Bell Shakespeare.

Euan Murdoch, *Appointed 1 September 2016 to 28 February 2023*

With a diverse background in music education, performance and leadership of New Zealand's premier musical institutions, Mr Murdoch was the Director of Te Kōkī New Zealand School of Music based at Victoria University of Wellington (2015–16) and was the Chief Executive of Chamber Music New Zealand (2006–14). He is a Graduate of the Australian Institute of Company Directors (2018).

Director of Corporate Services

Sarah MacPherson

Finance (CFO), Human Resources, Information and Communications Technology, Administration, Facilities, Infrastructure and Asset Management

Director of Programming

Marshall McGuire

Artistic Programming, Venue Hire

Head of Operations

Jasja van Andel

Event and Production Management, Technical, Stage Door

Head of Marketing and Visitor Experience

Latoyah Forsyth

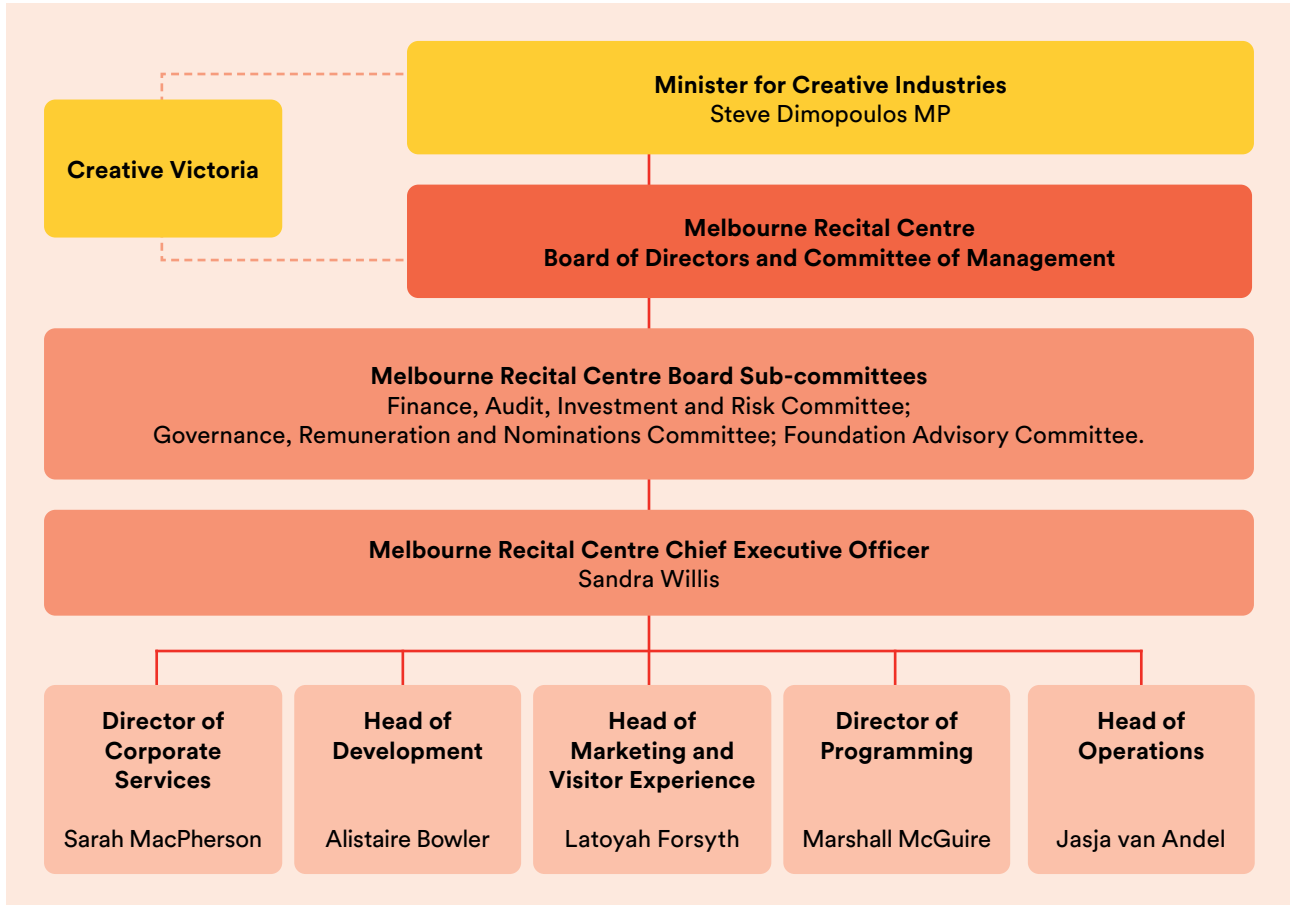
Marketing, Publicity, Customer Relationship Management, Ticketing, Front of House, Foyer Bars and Retail

Head of Development

Alistaire Bowler

Sponsorship, Philanthropy

Organisational Structure



Environmental Performance

The Melbourne Recital Centre maintains its commitment to environmental sustainability by minimising its environmental impacts and promoting a green future for our community. The Centre continues to monitor and modify the behaviour of waste management, HVAC scheduling and building systems to improve its environmental performance. This year, with a return to a full events schedule at the Centre, the consumption of electricity, gas and water and the amount of waste produced have increased from the previous year.

Key measures		2021–22	2022–23
Electricity, total consumption	Kilowatt hour (kWh)	790,657	961,479
Natural gas, total consumption	Megajoules (MJ)	1,609,013	1,876,396
Water, total consumption	Kilolitres (kL)	946	1231
Electrical greenhouse gas emissions	Tonnes of CO ₂ e	885	986
Natural gas greenhouse gas emissions	Tonnes of CO ₂ e	89.19	104.20
Waste, total units	Cubic meters (m ³)	238	422

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



Gosia Włodarczyk during her Frost Drawing project.
Image credit: Longin Sarnecki



Australian Art Orchestra on stage in Elisabeth Murdoch Hall.
Image credit: Laura Manariti.

Financial Summary

Five-year Financial Summary

Operating Activities	Note	2018–19 \$	2019–20 \$	2020–21 \$	2021–22 \$	2022–23 \$
Income from Government Recurrent		3,879,389	3,763,694	3,743,000	3,748,000	3,696,830
Income from Government Non-Recurrent (includes COVID Recovery funding)	1	0	1,635,000	4,010,500	2,330,674	1,874,326
Other operating income	2	9,661,996	6,614,067	2,908,094	4,748,350	8,634,890
Total operating income		13,541,385	12,012,761	10,661,594	10,827,024	14,206,046
Total operating expenses		13,978,829	12,019,715	8,347,618	10,051,526	14,119,330
Net result before non-operating items	3	-437,444	-6,954	2,313,976	775,498	86,716
Non-Operating Activities						
Donations to Public Fund Endowment	4	1,000,000	0	0	0	1,000,000
Other income applied for capital purposes	5	246,293	0	0	232,500	4,810
Net results from transactions (net operating balance)		808,849	-6,954	2,313,976	998,824	1,091,528
Other economic flows		150,440	-197,636	487,124	-588,970	401,079
Comprehensive result		959,289	-204,590	2,801,100	409,854	1,492,607
Balance of Public Fund	7	11,154,840	11,029,074	11,714,225	11,416,296	13,053,203
Total net assets	6	12,784,934	12,580,344	15,381,444	15,791,298	17,283,905



Participants of Sound Vibrations gathering around cellist Isaac Davis.

Overview

The Centre started to emerge from the operational disruption related to the pandemic of the preceding years. 2022–23 marks the first full year of operations since 2018–19 as audiences returned to experiencing live music both inside and outside the venue.

The Centre estimates it has now recovered 75% of its pre-pandemic attendances and is looking forward to further growth and a return to longer term financial sustainability in the years to come.

Notes

1 Income from Government: From 2019–20 onwards, the annual recurrent operating grant has been supplemented by additional Government grants to fund the unavoidable costs of maintaining the Centre’s core operations and staff establishment during periods of venue closures due to the COVID-19 pandemic and the subsequent recovery phase during which the Centre, in common with many live performance venues, has experienced a slow return of live audiences. Funding received towards the end of 2021–22 and 2021–22 was accounted for in that year, resulting in a reported surplus. These funds were used in subsequent years.

2 Other operating income: Prior to 2019–20, up to 72% of the Centre’s operating income was typically generated from sources other than the Victorian State Government. In 2022–23, this self-generated income comprised 61% of total operating income, compared to 43% in 2021–22 and 27% in 2020–21, reflecting the Centre’s steady recovery. 2022–23 shows an additional 45% compared to 2021–22 in other operating income over the previous year. This increase was experienced across all areas of operations including ticket sales; venue hire fees; and food and beverage services.

3 Net result before non-operating activities: This figure is not specifically reported in the comprehensive operating statement on page 9 of the Financial Report for the Financial Year Ended 30 June 2023, but is presented here to provide users with a better understanding of the Centre’s underlying operating performance, before items that are essentially capital in nature are accounted for. On this basis, the result for 2022–23 represents a modest surplus, in line with expectations.

4 Donations to the Public Fund endowment: A proportion of the philanthropic income received by the Centre is applied to funding operating requirements in the short to medium term, notably the delivery of the Learning and Access Programs. The Centre also seeks to build the corpus of the Public Fund over time to generate an income stream through returns on invested funds. Donations added to the corpus are not included in the operating result for the purpose of this analysis.

5 Other income applied for capital purposes: From time to time the Centre receives funds from Government and philanthropic sources which are expended on property plant and equipment. In 2018–19, they funded a Steinway grand piano and in 2021–22 foyer screens and digital signage.

6 Total net assets: The increase in net assets between 2022–23 and 2021–22 is primarily due to non-recurrent government income to fund operational activity and grants received from government for capital purposes for building and Cultural Facilities Maintenance Fund projects.

7 Balance of the Public Fund: Included in net assets is the Public Fund balance of \$13 million for 2022–23, which includes endowments, donations, grants and sponsorships. The increase of an additional 13% from 2021–22 to 2022–23 is in part due to an extraordinary gift of \$1 million received in the year.

Statement of Corporate Governance

Manner of Establishment

The Melbourne Recital Centre was registered on 2 March 2006 as a public company limited by guarantee with the sole shareholder being the State of Victoria, represented by the Minister for Creative Industries. The Melbourne Recital Centre is also a public entity under the *Public Administration Act 2004* (Vic). The Melbourne Recital Centre is registered as a charity with the Australian Charities and Not-for-profits Commission. The Melbourne Recital Centre has its own constitution and has compliance and reporting requirements informed by both the Victorian Government policy and legislative frameworks as well as the *Corporations Act 2001* (Cth). The Directors of Melbourne Recital Centre are committed to the highest standard of corporate governance and acknowledge the need for continued maintenance of governance practice and ethical conduct by all Directors and employees.

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

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

Objectives of the Company

The Melbourne Recital Centre constitution, Clause 2:

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

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

Powers and Duties of Directors

The Melbourne Recital Centre constitution, Clause 13.6:

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

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

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

The Directors may:

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

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

Board Committees

The Board has established several standing committees whose deliberations support become recommendations for consideration by the Board. These committees are the:

- Finance, Audit, Investment and Risk Management Committee
- Governance, Remuneration and Nominations Committee
- Committee of Management, Melbourne Recital Centre
- Foundation Advisory Committee
- Executive Committee.

Committee of Management – Melbourne Recital Centre

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

Financial and Other Information Retained by the Accountable Officer

Relevant information detailed in Financial Reporting Direction (FRD) 22 Standard Disclosures in the Report of Operations under section 3 of the *Financial Management Act 1994* (Vic) is retained by the Company's Accountable Officer. The items listed below are available to the relevant ministers and Members of Parliament:

- A a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- B details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary

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

Competitive Neutrality Policy

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

Local Jobs First

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

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. The MSPG applies to all construction projects valued at \$20 million or more. The Company did not commence or complete any contracts during 2022–23 to which these policies apply.

Compliance with the *Public Interest Disclosures Act 2012* (Vic)

The *Public Interest Disclosures Act 2012* (Vic) (the Act) encourages and assists people in making disclosures of improper conduct by public officers and public bodies and protects 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 Melbourne Recital Centre is committed to the aims and objectives of the Act. In particular, the Melbourne Recital Centre does not tolerate improper conduct or serious misconduct by its staff or the taking of reprisals against those who come forward to disclose such conduct.

The Melbourne Recital Centre is not eligible to receive public interest disclosures; however, disclosures of improper conduct or detrimental action relating to the Melbourne Recital Centre should generally be made to the Independent Broad-based Anti-corruption Commission (IBAC). Further information about making disclosures to IBAC can be found at www.ibac.vic.gov.au.

As required by section 59 of the Act, the Melbourne Recital Centre has made its Protected Disclosure Policy available on its website, melbournerecital.com.au, which provides procedures for protecting people who make protected disclosures from detrimental action by the Melbourne Recital Centre or its staff.

Workplace Health and Safety

The Melbourne Recital Centre has a Workplace Health and Safety (WHS) Committee that monitors, reviews and updates the Centre's occupational health and safety policies and procedures and reviews incidents reported at the Melbourne Recital Centre. The Committee meets regularly and reports to Executive Management and the Board. A number of Key Performance Indicators have been identified to enable the measurement of WHS and provide a valuable tool in the management of these issues. A focus of the WHS Committee this year has been encouraging employees to report incidents. Reporting has increased since last year. Results for the year are outlined in the table below.

Category	Key Performance Indicator	2019–20	2020–21	2021–22	2022–23
Incidents	Number of employee incidents	13	2	4	23
	Number of visitor incidents	16	4	17	19
Claims	Number of standard claims	0	0	0	0
	Number of lost time claims	0	0	0	0

Disability, Access and Inclusion Plan

Melbourne Recital Centre is committed to making our performances, services and facilities accessible to the community. This year, the Centre was one of 31 music venues assessed as part of the Accessible Music Venues project, led by Music Victoria.

This project included an online and on-site audit of our services and spaces. Melbourne Recital Centre was proud to be featured as a case study within the Accessible Music Venues project report. The findings from this audit will inform our Disability, Access and Inclusion Plan which is currently in development.

Compliance with the *Building Act 1993* (Vic)

Melbourne Recital Centre controls one government building located at 31 Sturt Street, Southbank Victoria 3006 and consequently is required to include a statement on its compliance with the building and maintenance provisions of the *Building Act 1993* (Vic) in relation to its building. The Centre requires appropriately qualified consultants and contractors to have mechanisms in place to ensure compliance with the building and maintenance provisions of the *Building Act 1993*, *Building Regulations 2018* and the *National Construction Code*. The Centre is responsible for maintenance of assets as well as inspection and audits of infrastructure and services (lighting, lifts, fire and ventilation facilities).

In 2022–23, the Centre reports on the following matters.

Number of major works undertaken	7
Number of building permits, occupancy permits or certificate of final inspection issued	0
Number of emergency orders and building orders issued	0
Number of buildings that have been brought into conformity with building standards during the year	0

Workforce Data

Staff members are appointed under ongoing, fixed-term or casual contracts as per the Melbourne Recital Centre Enterprise Agreement 2021 and/or in accordance with the Public Entity Executive Remuneration Policy. All staff members are bound by the Code of Conduct for Victorian Public Sector Employees. The Melbourne Recital Centre complies with the values (section 7) and the employment principles (section 8) of the *Public Administration Act 2004* (Vic).

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

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

Details of employment levels in June of 2022 and 2023

Employment type	2022				2023			
	Male	Female	Self-described	Total	Male	Female	Self-described	Total
FTE								
Ongoing	16	15	1	32	14	16	1	31
Casual or fixed term	14	13	3	29	15	14	2	30
Total FTE	30	28	4	61	29	30	3	61
Headcount								
Ongoing	17	16	1	34	14	17	1	32
Casual or fixed term	38	46	8	92	37	48	11	96
Total headcount	55	62	9	126	51	65	12	128

Emergency procurement

There was no emergency procurement required

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

There was no single campaign media spend \$100,000 or greater.

Consultancy expenditure

In 2022–23, there were three consultancies where the total fees payable to individual consultants was greater than \$10,000. These were Meena Thuraisingham Pty. Ltd \$37,485 for the Board review, Future Food Strategy Group Pty Ltd \$29,893 for the Food and Hospitality Strategy review and Culture for Hire for audience strategy development \$18,400. The total expenditure incurred during 2022–23 in relation to these consultancies was \$85,778 (excluding GST).

In 2022–23, there were no consultancies engaged during the year where the total fees payable to the individual consultancies was less than \$10,000.

Information and Communication Technology expenditure

For the 2022–23 reporting period, the Melbourne Recital Centre had a total information and communication technology (ICT) expenditure of \$773,897, with the details shown below.

All operational ICT expenditure	ICT expenditure related to projects to create or enhance ICT capabilities	
Total Business as Usual (BAU) ICT expenditure	Total Non-Business as Usual (non-BAU) ICT expenditure	
\$748,390	\$25,505	
	Operational expenditure	Capital expenditure
	\$25,505	–

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



Musicians from Speak Percussion performing in non-conventional parts of Elisabeth Murdoch Hall. Image credit: Jackson Grant

**MELBOURNE
RECITAL
CENTRE**

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Principal Government Partner



MELBOURNE
RECITAL
CENTRE

Financial Report
2022–2023



Melbourne Recital Centre
ABN 46 118 617 619
Financial Report for the Financial Year Ended 30 June 2023

Directors' Report

The Directors present this report on the Melbourne Recital Centre for the financial year ended 30 June 2023.

Directors

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

Professor Andrea Hull AO, Chair

Professor Deborah Cheetham Fraillon AO

The Honourable Mary Delahunty

Paul Donnelly

Associate Professor Jody Evans

Liz Grainger

(Reappointed 3 March 2023)

Monica Lim

Peter McMullin AM

Eda Ritchie AM

(Retired 2 March 2023)

The Directors have been in office since 1 July 2022 to the date of this report unless otherwise stated. All directors are independent of the management.

Company Secretary

Liz Grainger held the position of Company Secretary at the end of the financial year.

Membership of Melbourne Recital Centre

Melbourne Recital Centre ('Centre' or 'Company') is a company limited by guarantee. The sole member of the Company is the Minister for Creative Industries, the Honourable Steve Dimopoulos MP.

Principal Activities

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

Company Objectives

The objectives of the Company include the promotion of live music, by, without limitation:

- commissioning musical performances and programming for Melbourne Recital Centre;
- promoting Melbourne Recital Centre; and
- planning and managing the operations of Melbourne Recital Centre.

Operating Results

The Company reported a net result for the year ended 30 June 2023 of \$1.1 million (2021–22: \$1.0 million). The total comprehensive result was \$1.5 million (2021–22: \$0.4 million), after accounting for unrealised gain in the market value of the Company's investments of \$0.2 million (2021–22: unrealised loss of \$0.6 million) and increase of asset revaluation reserve of \$0.2 million.

The net result for the year has, like the previous year, highlighted the impact on visitation to the Centre since 2019. Although the Company has seen a significant recovery in its commercial revenues, ticket sales still remain lower than historic levels. Consequently, during the year the Company has continued to receive ongoing support from the Victorian State Government to fund its operations as attendances were 30% lower than target.

The Company received additional Victorian State Government support of \$1.8 million in the year (2021–22: \$2.6 million). Some of this amount, \$0.9 million, was received in June 2023 and remained unexpended on 30 June 2023. These funds will assist with expected continued shortfalls in commercial revenues in 2023–24 as the Company continues its strategy to increase attendance per event and revenue.

Dividends Paid or Recommended

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

Review of Operations

This year, for the first time in three years, the venue was open for an uninterrupted 12 months in delivering its calendar of events. However, whilst open all year, the experience has been that audience purchasing post-pandemic and the economic landscape continue to prove challenging. Audiences are hesitant to commit to ticket purchases ahead of time, often buying a week prior to an event and are cost conscious. This makes it difficult to predict revenue from ticket sales and requires continuing marketing activity close to the event date to sell a higher volume of tickets.

In this climate, the support of the Victorian State Government, and that of our committed donors, philanthropic grantors and sponsors is essential to our continued operation as a music venue. The donations received this year were over and above our expectations.

Significant Changes in State of Affairs

Other than as described above, there were no significant changes in the Company's state of affairs during the year.

Proceedings on Behalf of the Company

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

After Balance Date Events

As at the signing of this report, no matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Future Developments

Whilst the Company expects to face ongoing challenges to its operations due to changed audience behaviour and continued cost-of-living pressures in the year ahead, the Directors are approaching 2023–24 with optimism and a commitment to attracting audiences and increasing revenue. The focus in the coming year is to ensure the Centre's ongoing sustainability, including scalable opportunities for diverse income streams and rebuild resilience and stability as a business and institution, now and for the future.

Environmental Regulations

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

Meetings of Directors

During the financial year, seven meetings of Directors were held. Attendance by each Director was as follows:

Director name	Number eligible to attend	Number attended
Professor Andrea Hull AO, Chair	7	7
Professor Deborah Cheetham Fraillon AO	7	3
The Honourable Mary Delahunty	7	6
Paul Donnelly	7	7
Associate Professor Jody Evans	7	6
Liz Grainger	7	7
Monica Lim	7	6
Peter McMullin AM	7	2
Eda Ritchie AM	4	4

Directors' Benefits

Directors' benefits are set out in note 8.3 to the financial statements.

Insurance of Directors and Officers

During the financial year, \$5,495 (\$5,495 in 2021–22) was paid by the Company to the Victorian Managed Insurance Authority for directors' and officers' liability insurance premiums and recorded as an expense in the comprehensive operating statement. The insurance provides cover for directors and officers of Melbourne Recital Centre against certain personal liabilities that they may incur by reason of their duties as directors and officers.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 5 of the financial report.

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

On behalf of the directors,



Prof. Andrea Hull AO
Chair of the Board
Melbourne, 5 September 2023

DIRECTORS' DECLARATION

The attached financial statements for the Melbourne Recital Centre have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994* (Vic), applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), 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 2023 and financial position of the Company at 30 June 2023.

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

We authorise the attached financial statements for issue on 5 September 2023.



Prof. Andrea Hull AO
Chair of the Board
Melbourne, 5 September 2023



Sandra Willis
Chief Executive Officer
Melbourne, 5 September 2023



Sarah MacPherson
Chief Financial Officer
Melbourne, 5 September 2023

Auditor-General's Independence Declaration

To the Directors, the Melbourne Recital Centre

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

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

Independence Declaration

As auditor for the Melbourne Recital Centre for the year ended 30 June 2023, 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
7 September 2023



Simone Bohan
as delegate for the Auditor-General of Victoria

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**Melbourne Recital Centre
Comprehensive Operating Statement
for the Financial Year Ended 30 June 2023**

	Notes	2023 \$	2022 \$
Income from transactions	2		
Victorian State Government grants	2.1	5,575,966	6,302,000
Income from fundraising activities	2.2	2,163,379	1,401,085
Commercial operations	2.3	6,748,051	3,098,383
Investment and Other income	2.4	723,462	248,882
Total income from transactions		15,210,858	11,050,350
Expenses from transactions	3		
Employee benefit expenses	3.1.1	7,162,835	5,758,713
Supplies and consumables expenses	3.2	2,624,513	1,458,113
Performance generated expenses	3.3	2,694,396	1,430,835
Facilities expenses	3.4	1,007,657	845,855
Other operating expenses	3.5	629,929	558,010
Total expenses from transactions		14,119,330	10,051,526
Net result from transactions (net operating balance)		1,091,528	998,824
Other Economic Flows - Included in net result	8		
Gain/(loss) on disposal of fixed assets	8.1	(7,446)	
Gain/(loss) on market value of investments	8.1	170,185	(588,970)
Other gains/(losses) from other economic flows	8.1	(6,530)	
Total Other economic flows included in net result		156,209	(588,970)
Net result		1,247,737	409,854
Other Economic Flows - Other Comprehensive Income			
Changes to asset revaluation reserve	8.2	244,870	
Total Other Economic Flows - Other Comprehensive Income		244,870	
Comprehensive result		1,492,607	409,854

The comprehensive operating statement should be read in conjunction with the accompanying notes on pages 50 to 87.

**Melbourne Recital Centre
Balance Sheet
as at 30 June 2023**

	Notes	2023 \$	2022 \$
Assets			
Financial assets			
Cash and deposits	6.1	13,546,523	11,456,967
Receivables	5.1	1,453,375	434,093
Investments	4.3	5,515,502	5,345,317
Total financial assets		20,515,400	17,236,377
Non-financial assets			
Inventory		17,537	17,321
Property, plant and equipment	4.1	3,057,881	2,567,735
Prepayments		56,259	163,839
Total non-financial assets		3,131,677	2,748,895
Total assets		23,647,077	19,985,272
Liabilities			
Trade and other payables	5.2	1,285,360	1,140,072
Provisions	3.1.2	989,790	800,172
Contract liabilities	5.3	2,060,276	1,752,765
Other liabilities	5.4	2,027,746	500,965
Total liabilities		6,363,172	4,193,974
Net assets		17,283,905	15,791,298
Equity			
Accumulated surplus	8.2	3,132,330	3,521,500
Physical asset revaluation reserve	8.2	1,098,372	853,502
Public Fund	8.2.1	13,053,203	11,416,296
Total equity		17,283,905	15,791,298

The balance sheet should be read in conjunction with the accompanying notes included in pages 50 to 87.

**Melbourne Recital Centre
Statement of Changes in Equity
for the Financial Year Ended 30 June 2023**

	Notes	Equity at 1 July 2022 \$	Net result \$	Asset revaluation reserve \$	Accumulated surplus/(deficit) allocations \$	Equity at 30 June 2023 \$
Accumulated surplus/ (deficit)	8.2	3,521,500	1,247,737	-	(1,636,907)	3,132,330
Physical asset revaluation reserve	8.2	853,502	-	244,870	-	1,098,372
Public fund - Endowment	8.2.1	11,111,246	-	-	1,653,205	12,764,451
Public fund - externally funded special projects reserve	8.2.1	345,504	-	-	(16,298)	329,206
Public fund - physical asset revaluation reserve	8.2.1	(40,454)	-	-	-	(40,454)
Total equity at end of financial year		15,791,298	1,247,737	244,870	-	17,283,905

	Notes	Equity at 1 July 2021 \$	Net result \$	Asset revaluation reserve \$	Accumulated surplus/(deficit) allocations \$	Equity at 30 June 2022 \$
Accumulated surplus/ (deficit)	8.2	2,813,716	409,854	-	297,930	3,521,500
Physical asset revaluation reserve	8.2	853,502	-	-	-	853,502
Public fund - Endowment	8.2.1	11,507,592	-	-	(396,346)	11,111,246
Public fund - externally funded special projects reserve	8.2.1	247,088	-	-	98,416	345,504
Public fund - physical asset revaluation reserve	8.2.1	(40,454)	-	-	-	(40,454)
Total equity at end of financial year		15,381,444	409,854	-	-	15,791,298

The statement of changes in equity should be read in conjunction with the accompanying notes pages 50 to 87.

Melbourne Recital Centre
Cash Flow Statement
for the Financial Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts			
Receipts from State Government		6,581,966	7,105,285
Receipts from customers		7,056,361	4,104,179
Receipts from fundraising activities		2,163,379	876,715
Interest received		335,215	11,314
Total receipts		16,136,921	12,097,493
Payments			
Payments to suppliers		(7,067,543)	(4,415,246)
Payments to employees		(6,936,941)	(5,719,067)
Total payments		(14,004,484)	(10,134,313)
Net cash flow from operating activities	6.1	2,132,437	1,963,180
Cash flows from investing activities			
Payment for purchase of property, plant and equipment		(409,071)	(390,372)
Distributions receivable from managed investment funds		244,234	247,305
Franking credits received		121,956	-
Net cash flows from investing activities		(42,882)	(143,067)
Net increase/(decrease) in cash and cash equivalents			
		2,089,556	1,820,113
Cash and cash equivalents at beginning of financial year		11,456,967	9,636,854
Cash and cash equivalents at end of financial year	6.1	13,546,523	11,456,967

The cash flow statement should be read in conjunction with the accompanying notes on pages 50 to 87.

Melbourne Recital Centre Notes to the Financial Statements

NOTE 1: ABOUT THIS REPORT

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

The Company is set up under the incorporated under the *Corporations Act 2001* (Cth) and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the sole member of the Company is the Minister for Creative Industries.

The registered office and principal place of business is:

Melbourne Recital Centre
31 Sturt Street
Southbank 3006

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

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

1.1. Basis of preparation

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

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

Judgements, estimates, and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements

are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

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

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

1.2. Compliance information

The general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (Vic) (FMA), applicable Australian Accounting Standards (AASs), issued by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012* (Cth). 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 AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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

**Melbourne Recital Centre
Notes to the Financial Statements**

NOTE 2: FUNDING DELIVERY OF OUR SERVICES

Introduction

The Company is a public entity and derives its funding from both Victorian State Government grants and self-generated sources such as donations, sponsorships, programming, venue hire and commercial activities.

Structure

Summary of income that funds the delivery of our services

- 2.1 Victorian State Government grants
- 2.2 Income from fundraising activities
- 2.3 Commercial operations
- 2.4 Investment and Other income

Summary of income that funds the delivery of our services

	Notes	2023 \$	2022 \$
Victorian State Government grants	2.1	5,575,966	6,302,000
Income from fundraising activities	2.2	2,163,379	1,401,085
Commercial operations	2.3	6,748,051	3,098,383
Investment and Other income	2.4	723,462	248,882
Total revenue and income from transactions		15,210,858	11,050,350

Revenue and income that fund delivery of the Company's services are accounted for consistently with the requirements of the relevant accounting standards, as described in the following notes. Where applicable, amounts disclosed as income are net of returns, allowances, duties, and taxes.

2.1 Victorian State Government grants

	2023 \$	2022 \$
Operating grants - recurring	3,696,830	3,748,000
Operating grants - other	848,100	1,779,000
Other general purpose grants	1,031,036	775,000
Total Victorian State Government grants	5,575,966	6,302,000

Grants recognised under AASB 1058 (*Income of Not for Profit entities*)

The Company 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 Company has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Company recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards.

Melbourne Recital Centre Notes to the Financial Statements

Related amounts may take the form of:

- (a) contributions by owners, in accordance with AASB 1004 (*Contributions*);
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 (*Revenue from contracts with customers*);
- (c) a financial instrument, in accordance with AASB 9 (*Financial instruments*); or
- (d) a provision, in accordance with AASB 137 (*Provisions, Contingent Liabilities and Contingent Assets*).

Grants recognised under AASB 15 (*Revenue from contracts with customers*)

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. Revenue is recognised when the Company satisfies the performance obligation. The income 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. Where specific performance obligations do not exist, funds, such as donations, are recognised upon receipt in line with AASB 1058.

Performance obligations and revenue recognition policies:

Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the service as it is provided (AASB 15.35).

Principal-agent relationships:

The company engages in transactions involving principal-agent relationships in which the company is the agent. Revenue is only recognised to the extent of the commission or fee it earns for facilitating the transaction between the customer and the third-party supplier. The Company's role in agent transactions is limited to intermediary services, and it does not control the underlying goods or services before transfer to the customer. Judgments are made in determining the appropriate accounting treatment for each type of transaction, taking into consideration the contractual terms, the nature of the Company's involvement, and any associated risks or uncertainties. Where receipts are received in advance this will be treated as a liability until the agreed transaction takes place (refer to note 5.4).

2.2 Income from fundraising activities

	2023 \$	2022 \$
Grants and donations received in the Public Fund	1,926,920	876,715
Sponsorships	236,459	524,370
Total income from fundraising activities	2,163,379	1,401,085

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

Sponsorships revenue is recognised on receipt as per AASB 1058, except where sufficiently specific performance obligations allow the income to be recognised over time, as governed by AASB 15.

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 Public Fund to generate income through investing activities.

**Melbourne Recital Centre
Notes to the Financial Statements**

2.3 Commercial operations

	2023 \$	2022 \$
Artistic programming	2,545,847	1,206,102
Venue hire	2,660,254	1,248,941
Commercial activities	1,541,950	643,340
Total commercial operations	6,748,051	3,098,383

Commercial operations income included in the table above are transactions that the Company has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Artistic programming income comprises ticket sales from events presented by Melbourne Recital Centre and is held as a contract liability under AASB 15 on the balance sheet until the performance obligations of the event has occurred whereupon it is then recognised as revenue.

Venue hire income comprises rental income for the use of the venue including the recovery of event production costs. Deposits relating to this activity are held as a contract liability under AASB 15 on the balance sheet until the performance obligations relating to the venue hire have occurred whereupon it is then recognised as revenue.

Commercial activities comprise ticketing commissions, food and beverage income and the recovery of front of house event services. Income from these activities is recognised upon the provision of services to customers.

2.4 Investment and Other income

	2023 \$	2022 \$
Interest received	335,215	11,314
Franking credits received	121,956	-
Distributions receivable from managed investment funds	141,223	185,442
Other income	125,068	52,126
Total Investment and other income	723,462	248,882

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

During the year, franking credits with respect to investment income received in the period from 1 July 2017 to 30 June 2022 were claimed and received from the Australian Taxation Office. The Company is eligible to claim franking credits under its income tax exempt status as a registered charity.

Investment income is recognised in accordance with AASB 9.

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

Melbourne Recital Centre Notes to the Financial Statements

NOTE 3: THE COST OF DELIVERING SERVICES

Introduction

This section provides an account of the expenses incurred by the Company in delivering services and outputs. In Note 2, the funds that enable the provision of services are disclosed and in this note the cost associated with provision of services is described.

Structure

Summary of expenses incurred in delivery of service

- 3.1 Employee benefit expenses
- 3.2 Supplies and consumables expenses
- 3.3 Performance generated expenses
- 3.4 Facilities expenses
- 3.5 Other operating expenses

Summary of expenses incurred in delivery of service

	Notes	2023 \$	2022 \$
Employee benefit expenses	3.1	7,162,835	5,758,713
Supplies and consumables	3.2	2,624,513	1,458,113
Performance generated expenses	3.3	2,694,396	1,430,835
Facilities expenses	3.4	1,007,657	845,855
Other operating expenses	3.5	629,929	558,010
Total expenses from transactions		14,119,330	10,051,526

3.1 Employee benefit expenses

3.1.1 Employee benefits in the comprehensive operating statement

	2023 \$	2022 \$
Employee benefits	6,528,304	5,258,959
Employer superannuation contributions -defined contribution plans	634,531	499,754
Employee benefit expenses	7,162,835	5,758,713

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

Employees of the Company are entitled to receive defined superannuation benefits. Employer superannuation contributions comprise amounts paid or payable during the reporting year, in respect of members of defined contribution superannuation plans.

Melbourne Recital Centre Notes to the Financial Statements

3.1.2 Employee benefits in the balance sheet

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

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

Wages, salaries, annual leave, and sick leave

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 Company does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are 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 Statement of Comprehensive Income as it is taken.

Employment on-costs such as 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.

Long service leave (LSL)

LSL is recognised in the provision for employee benefits.

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

The components of this current LSL liability are measured at:

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

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

Melbourne Recital Centre
Notes to the Financial Statements

	2023 \$	2022 \$
Current provisions:		
Annual leave		
Unconditional and expected to settle within 12 months	372,016	322,723
Long service leave		
Unconditional and expected to settle within 12 months	104,411	68,678
Unconditional and expected to settle after 12 months	243,627	160,248
Provisions for on-costs		
Unconditional and expected to settle within 12 months	34,266	29,305
Unconditional and expected to settle after 12 months	26,800	15,224
Total current provisions for employee benefits	781,120	596,178
Non-current provisions:		
Employee benefits	187,991	186,948
On-costs	20,679	17,046
Total non-current provisions for employee benefits	208,670	203,994
Total provisions for employee benefits	989,790	800,172
	2023	2022
	\$	\$
Reconciliation of movement in On-cost provisions		
Opening balance	61,574	58,532
Additional provisions recognised	34,266	44,529
Reductions arising from payments	(14,096)	(41,486)
Closing balance	81,745	61,574
Current	61,066	44,529
Non-current	20,679	17,046
Total current provisions for employee benefits	81,745	61,574

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.

Melbourne Recital Centre Notes to the Financial Statements

3.1.3 Superannuation contributions

Employees are entitled to receive superannuation benefits, and the Company contributes to individual employee superannuation plans.

	Paid contribution for the year		Contribution outstanding at year-end	
	2023 \$	2022 \$	2023 \$	2022 \$
Defined contribution superannuation plans				
Aware Super Future Saver	113,267	98,252	8,085	9,047
Other	463,186	351,615	49,993	40,840
Defined contribution superannuation plans	576,453	449,867	58,078	49,887

Employee benefits on-costs

Employment on-costs such as payroll tax and workers compensation 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.

3.2 Supplies and consumables

	2023 \$	2022 \$
Advertising	1,143,913	444,059
Information technology	773,897	732,721
Food and beverage	513,628	197,668
Other supplies and consumables	193,075	83,665
Total supplies and consumables	2,624,513	1,458,113

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred.

3.3 Performance generated expenses

	2023 \$	2022 \$
Artistic programming:		
Artist fees	1,455,908	854,967
Fees paid to co-producers	384,596	171,694
Production costs	353,799	223,877
Venue hire events and other	500,093	180,297
Total performance generated expenses	2,694,396	1,430,835

Performance generated expenses relate to artist fees for Melbourne Recital Centres artistic programming events and production costs of all events held at Melbourne Recital Centre. These expenses are recognised in the reporting period in which they are incurred.

Melbourne Recital Centre Notes to the Financial Statements

3.4 Facilities expenses

	2023 \$	2022 \$
Cleaning	431,184	315,261
Building repairs and maintenance	260,246	260,802
Utilities	224,860	189,174
Building security	86,405	56,194
Other	4,962	24,424
Total facilities expenses	1,007,657	845,855

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

3.5 Other operating expenses

	2023 \$	2022 \$
Insurance premiums, professional fees and other operating expenses	389,939	289,595
Depreciation and amortisation	156,349	213,411
Finance costs	83,641	55,004
Total other operating expenses	629,929	558,010

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. The expenses are recognised in the reporting period in which they are incurred.

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.

NOTE 4: KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Company controls infrastructure, investments and other assets that are 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 outputs.

Significant judgement: Classification of investments as 'key assets'

The Company has made the judgement that investments are key assets utilised to support the Company's objectives and 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.

**Melbourne Recital Centre
Notes to the Financial Statements**

Structure

- 4.1 Property, plant, and equipment
- 4.2 Intangible assets
- 4.3 Investments and other financial assets

4.1 Property, Plant and Equipment

4.1.1 Carrying amount and accumulated depreciation

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
Venue furniture and equipment at fair value	4,664,856	4,082,575	(3,320,811)	(3,289,071)	1,344,045	793,503
Office furniture and equipment at fair value	480,596	879,766	(401,426)	(820,493)	79,170	59,273
Musical instruments at fair value	1,113,316	973,442	(87,741)	(181,425)	1,025,575	792,018
Assets under construction at cost	-	313,850	-	-	-	313,850
Cultural assets at fair value	609,091	609,091	-	-	609,091	609,091
Net carrying amount	6,867,859	6,858,724	(3,809,978)	(4,290,989)	3,057,881	2,567,735

Initial recognition

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment losses. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

Subsequent valuation

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

Musical instruments are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets.

Cultural assets (primarily works of art) 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. Works of art, which are considered to have an indefinite life, are not depreciated.

Melbourne Recital Centre Notes to the Financial Statements

Impairment

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*.

Non-financial assets, including items of property, plant, and equipment, are tested whenever there is an indication that the asset may be impaired. Assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount is increased to its recoverable amount. However, this reversal will not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount of an asset is defined as the higher of an asset's, or, where applicable, the cash generating unit's, 'value in use' and 'fair value less costs to sell'.

Valuation of assets

The Company's cultural assets were independently valued by independent specialist valuers as at 30 June 2023.

Fair value for plant and equipment that are specialised in use (such that it is rarely sold other than as part of a going concern), such as the company's musical instruments, is determined using the current replacement cost method.

The overall comprehensive result increased due to valuation gains on property plant and equipment at fair value through other comprehensive income.

4.1.2 Depreciation

Depreciation and amortisation is calculated on the straight-line method to write off the value of non-current physical assets (excluding Cultural assets) to its residual value over their expected useful life to the Company.

The useful life for each class of depreciable assets is:

Class of asset	Useful life	
	2023	2022
Venue furniture and equipment	4-20 years	4-20 years
Office furniture and equipment	3-20 years	3-20 years
Musical instruments	10-20 years	10-40 years
Cultural assets	Indefinite	Indefinite

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate. Where depreciation rates or methods are changed, the net written down value of the asset is depreciated from the date of the change in accordance with the new depreciation rate or method. Depreciation recognised in prior financial years shall not be changed, that is, the change in depreciation rate or method shall be accounted for on a prospective basis.

Indefinite life assets: Core cultural 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.

Melbourne Recital Centre Notes to the Financial Statements

4.1.3 Movements in carrying amount

	Venue furniture & equipment at fair value		Office furniture & equipment at fair value		Music instruments at fair value		Assets under construction at cost		Cultural assets at fair value		Totals	
Fair value Hierarchy	Level 3		Level 3		Level 3		Level 3		Level 2			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance	793,503	849,038	59,273	112,184	792,018	823,911	313,850	-	609,091	609,091	2,567,735	2,394,224
Additions	648,887	37,486	74,034	-	-	-	-	313,850	-	-	722,921	351,336
Transfer in/out of assets under construction	-	-	-	-	-	-	(313,850)	-	-	-	(313,850)	-
Disposals	(6,512)	-	(934)	-	-	-	-	-	-	-	(7,446)	-
Revaluation	-	-	-	-	244,870	-	-	-	-	-	244,870	-
Depreciation expenses	(91,833)	(93,021)	(53,203)	(52,911)	(11,313)	(31,893)	-	-	-	-	(156,349)	(177,825)
Closing balance	1,344,045	793,503	79,170	59,273	1,025,575	792,018	-	313,850	609,091	609,091	3,057,881	2,567,735

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

Revaluations were carried out for cultural assets and musical instruments. As movements in carrying amounts were not material (less than or equal to 10 per cent) a full revaluation was not required. The next scheduled full revaluation for this purpose group will be conducted in 2024.

4.2 Intangible assets

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins 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.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefits;
- (e) the availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible produced assets with finite useful lives, are amortised as an 'expense from transactions' on a straight-line basis over four years. Produced intangible assets have useful lives of between three and five years.

Melbourne Recital Centre Notes to the Financial Statements

Impairment of intangible assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in section 7.3.

4.2.1 Movements in carrying amount of intangible assets

	2023 \$	2022 \$
Opening balance	-	39,709
Additions	-	47,600
Transfer out as expensed	-	(51,723)
Depreciation expenses	-	(35,586)
Closing balance	-	-

4.3 Investments and other financial assets

	2023 \$	2022 \$
Investments:		
Managed investment funds	5,515,502	5,345,317
Total investments	5,515,502	5,345,317

The investments are in funds managed by the Victorian Funds Management Corporation (VFMC). Investments are classified as being at fair value through profit and loss. Investments are recognised and derecognised on trade date and are initially recognised at fair value. Subsequent to initial recognition, they are measured at fair value with realised and unrealised gains and losses arising from changes in fair value, recognised in net result.

Ageing analysis of investments and other financial assets

No investments and financial assets as at 30 June 2023 and as at 30 June 2022 are considered to be past due or impaired.

4.3.1 Nature and extent of risk arising from investments

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

Melbourne Recital Centre
Notes to the Financial Statements

NOTE 5: OTHER ASSETS AND LIABILITIES

Introduction

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

Structure

- 5.1 Receivables
- 5.2 Trade and other payables
- 5.3 Contract liabilities
- 5.4 Other liabilities

5.1 Receivables

	2023 \$	2022 \$
Contractual		
Trade debtors	1,284,829	147,844
Allowance for impairment losses of contractual receivables	-	(18,150)
Contract assets	92,290	196,379
	1,377,119	326,073
Statutory		
GST receivable	76,256	108,020
Total current receivables	1,453,375	434,093

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 Company holds the contractual receivables with the objective to collect the contractual cash flows and therefore 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. The Company applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivable are initially recognised at fair value plus any directly attributable transaction costs.

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

Melbourne Recital Centre Notes to the Financial Statements

5.1.1 Contract assets

	2023 \$	2022 \$
Opening balance	196,379	209,864
Add: Additional costs incurred	192,295	523,724
Less: Transfer to revenue recognition	(296,384)	(537,209)
Total contract assets	92,290	196,379
Represented by:		
Current contract assets	92,290	196,379

Contract assets relate to the Company'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, this usually occurs when the Company issues an invoice to the customer. The works are expected to be completed and recovered early next year.

5.2 Trade and other payables

	2023 \$	2022 \$
Contractual payables		
Trade payables	545,151	603,307
Accrued expenses	682,130	486,878
Superannuation payable	58,079	49,887
Total current payables	1,285,360	1,140,072

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

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

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

**Melbourne Recital Centre
Notes to the Financial Statements**

5.2.1 Maturity analysis of contractual payables (i)

	Carrying amount \$	Less than 1 month \$	Maturity dates		
			1-3 months \$	3 months – 1 year \$	1-5 years \$
2023					
Trade payables	545,151	544,596	555	-	-
Accrued expenses and superannuation payable	740,209	740,209	-	-	-
2022					
Trade payables	603,307	600,106	3,201	-	-
Accrued expenses and superannuation payable	536,765	536,765	-	-	-

(i) Maturity analysis is presented using the contractual undiscounted cash flows.

5.3 Contract liabilities

	2023 \$	2022 \$
Venue hire deposits		
Opening balance	567,431	495,693
Add: Payments received for performance obligations yet to be completed during the period	1,295,983	975,717
Less: Revenue recognised in the reporting period for the completion of performance obligations	(1,303,378)	(903,979)
Total Venue hire deposits	560,036	567,431
Advance tickets sales		
Opening balance	1,124,285	618,350
Add: Payments received for performance obligations yet to be completed during the period	6,654,329	3,384,425
Less: Revenue recognised in the reporting period for the completion of performance obligations	(6,374,748)	(2,878,490)
Total Advance ticket sales	1,403,866	1,124,285
Grants received in advance		
Opening balance	61,049	410,668
Add: Grant consideration for sufficiently specific performance obligations received during the period	5,215,644	810,557
Less: Grant revenue for sufficiently specific performance obligations works recognised consistent with the performance obligations met during the period	(5,180,319)	(1,160,176)
Total Grants received in advance	96,374	61,049
Total Contract liabilities	2,060,276	1,752,765

Melbourne Recital Centre Notes to the Financial Statements

Contract liabilities include consideration received in advance from customers in respect of performances. Income from venue hire deposits and ticket sales is recognised, or funds are passed to the presenter, after the relevant event has occurred.

In addition, grant consideration was received 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 future period (AASB 15)

5.4 Other liabilities

	2023 \$	2022 \$
Other Liability - The Victorian State Government	2,027,746	500,965
Total other liabilities	2,027,746	500,965

The Victorian State Government owns the Melbourne Recital Centre building in Southbank. When maintenance or building improvement works are required, The Victorian State Government provides the necessary funds to the Company to arrange for the completion of the work and payment of suppliers on its behalf. These funds are generally received in advance and drawn down as costs are incurred. The amount unexpended at 30 June is recognised as a liability.

NOTE 6: HOW WE FINANCED OUR OPERATIONS

Introduction

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

Structure

- 6.1 Cash flow information and balances
- 6.2 Commitments for expenditure

6.1. 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.

Melbourne Recital Centre
Notes to the Financial Statements

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

	2023 \$	2022 \$
Cash at bank	13,544,276	11,454,253
Cash on hand	2,247	2,714
Total cash and deposit	13,546,523	11,456,967

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

	2023 \$	2022 \$
Reconciliation of net cash result for the year to cash flows from operating activities for the year		
Net loss/(profit) from ordinary activities		
Operating (loss)/profit	1,247,737	409,854
Depreciation and amortisation	156,349	213,411
Unrealised loss/(gain) on FV investments	(170,185)	588,970
Net (gain)/loss on disposal of fixed assets	7,446	
Distribution from managed funds	(244,234)	(247,305)
Non cash transfer due to change in accounting policy	-	51,724
Changes in assets and liabilities		
(Increase)/decrease in receivables and other assets	(1,051,045)	(4,562)
(Increase)/decrease in GST recoverable	31,764	(46,804)
(Increase)/decrease in inventory	(216)	(6,661)
(Increase)/decrease in prepayments	107,580	97,820
Increase/(decrease) in trade and other payables	145,287	133,879
Increase/(decrease) in contract liabilities	307,511	228,055
Increase/(decrease) in employee provisions	189,619	68,091
Increase/(Decrease) in other liabilities	1,526,780	476,708
Net cash flows from operating activities	2,254,393	1,963,180

During the financial year the Company had access to credit card facilities, which may fund future operating activities.

Melbourne Recital Centre Notes to the Financial Statements

Financing facilities

	2023 \$	2022 \$
Unsecured credit card facilities, reviewed annually and payable on call		
Amount used	15,403	40,220
Amount unused	59,597	34,780
Total available facilities	75,000	75,000

6.2 Commitments for expenditure

Commitments for future expenditure include operating obligations 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.

6.2.1 Total commitments payable

These commitments are recorded below at their nominal value and inclusive of GST. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	2023 \$	2022 \$
Other commitments payable		
Not later than one year	556,588	405,743
Later than one year but not later than five years	19,018	259,462
Total expenditure commitments (inclusive of GST)	575,606	665,205
Less GST recoverable from the Australian Taxation Office	(52,328)	(60,473)
Total commitments for expenditure (exclusive of GST)	523,278	604,732
Total commitments for expenditure (exclusive of GST)	604,732	735,288

As at 30 June 2023, there are no capital commitments (2022: nil).

**Melbourne Recital Centre
Notes to the Financial Statements**

NOTE 7: RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Company 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 Company related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination and impairment

7.1 Financial instruments specific disclosures

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

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

The Company is exposed to some financial risks: interest rate risk, credit risk, liquidity risk and equity price risk. The Company manages these financial risks in accordance with its financial risk management policy.

Categories of financial assets

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

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

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

Melbourne Recital Centre recognises the following assets in this category:

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

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

Melbourne Recital Centre recognises managed investment funds under this category.

Impairment of financial assets

For cash and deposits, the Company applies the simplified approach to measure expected credit losses (ECL) based on the change in the ECLs over the life of the asset as required by AASB 9. Application of the lifetime ECL allowance method has resulted in no changes to the impairment loss allowances during the 2023 financial year (2022: nil).

Melbourne Recital Centre Notes to the Financial Statements

Categories of financial liabilities

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

Financial instruments: Categorisation

	Cash and deposits \$	Financial assets at amortised cost \$	Financial liabilities at amortised cost \$	Fair Value through profit and loss \$	Total \$
2023					
Cash and deposits	13,544,276	-	-	-	13,544,276
Receivables	-	1,453,375	-	-	1,453,375
Investments	-	-	-	5,515,502	5,515,502
Total contractual financial assets	13,544,276	1,453,375	-	5,515,502	20,513,153
Trade and other payables	-	-	1,285,360	-	1,285,360
Other liabilities	-	-	2,027,746	-	2,027,746
Total contractual financial liabilities	-	-	3,313,106	-	3,313,106

	Cash and deposits \$	Financial assets at amortised cost \$	Financial liabilities at amortised cost \$	Fair Value through profit and loss \$	Total \$
2022					
Cash and deposits	11,454,253	-	-	-	11,454,253
Receivables	-	434,093	-	-	434,093
Investments	-	-	-	5,345,317	5,345,317
Total contractual financial assets	11,454,253	434,093	-	5,345,317	17,233,663
Trade and other payables	-	-	1,140,072	-	1,140,072
Other liabilities	-	-	500,965	-	500,965
Total contractual financial liabilities	-	-	1,641,037	-	1,641,037

Melbourne Recital Centre Notes to the Financial Statements

Financial risk management objectives and policies

The Company'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 Company's financial risks within the government policy parameters.

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

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

7.1.1 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 Company does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

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

The Company has concluded that cash at bank can be left at floating rate without necessarily exposing the Company to significant risk.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Company's sensitivity to interest rate risk are limited to cash at bank and term deposits, which at the end of the financial year totalled \$13,544,276 (2022: \$11,454,253).

Sensitivity analysis determined that a movement of 100 basis points up and 100 basis points down (2022: 100 basis points up and 100 basis points down) in market interest rates would not have a material impact on the Company's net result, equity, cash at bank and deposits held by the Company at the end of the reporting period if the movements were to occur.

Melbourne Recital Centre Notes to the Financial Statements

Interest rate risk exposure of financial instruments

	Interest rate exposure				
	Weighted average interest rate (%)	Carrying amount \$	Variable interest rate (%)	Variable interest rate \$	Non-interest bearing \$
2023					
Cash and deposits	2.48%	13,544,276	2.48%	13,544,276	-
Receivables	-	1,453,375	-	-	1,453,375
Investments	-	5,515,502	-	5,515,502	-
Total contractual financial assets	-	20,513,153	-	19,059,778	1,453,375
Trade and other payables	-	1,285,360	-	-	1,285,360
Other liabilities	-	2,027,746	-	-	2,027,746
Total contractual financial liabilities	-	3,313,106	-	-	3,313,106

	Interest rate exposure				
	Weighted average interest rate (%)	Carrying amount \$	Variable interest rate (%)	Variable interest rate \$	Non-interest bearing \$
2022					
Cash and deposits	0.11%	11,454,253	0.11%	11,454,253	-
Receivables	-	434,093	-	-	434,093
Investments	-	5,345,317	-	5,345,317	-
Total contractual financial assets	-	17,233,663	-	16,799,570	434,093
Trade and other payables	-	1,140,072	-	-	1,140,072
Other liabilities	-	500,965	-	-	500,965
Total contractual financial liabilities	-	1,641,037	-	-	1,641,037

**Melbourne Recital Centre
Notes to the Financial Statements**

Interest rate sensitivity risk

	Carrying amount	-100 basis points		+100 basis points	
		Net result	Fair value through OCI revaluation reserve	Variable interest rate	Non-interest bearing
		\$	\$	\$	\$
2023					
Cash and deposits	13,544,276	(135,443)	-	135,443	-
Investments	5,515,502	(55,155)	-	55,155	-
Total impact	19,059,778	(190,598)	-	190,598	-

	Carrying amount	-100 basis points		+100 basis points	
		Net result	Fair value through OCI revaluation reserve	Variable interest rate	Non-interest bearing
		\$	\$	\$	\$
2022					
Cash and deposits	11,454,253	(114,543)	-	114,543	-
Investments	5,345,317	(53,453)	-	53,453	-
Total impact	16,799,570	(167,996)	-	167,996	-

7.1.2 Credit risk

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

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

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

There has been no material change to the Company's credit risk profile in 2022–23.

Melbourne Recital Centre Notes to the Financial Statements

Table 7.1.2.1 Credit quality of contractual financial assets

	Financial institutions (AA credit rating) \$	Government agencies (AA credit rating) \$	Other \$	Total \$
2023				
Cash and deposits	13,544,276	-	-	13,544,276
Receivables	-	-	1,377,119	1,377,119
Investments	-	5,515,502	-	5,515,502
Total contractual financial assets	13,544,276	5,515,502	1,377,119	20,436,897
2022				
Cash and deposits	11,454,253	-	-	11,454,253
Receivables	-	-	326,073	326,073
Investments	-	5,345,317	-	5,345,317
Total contractual financial assets	11,454,253	5,345,317	326,073	17,125,643

7.1.3 Liquidity risk

Liquidity risk arises from the Company being unable to meet financial obligations as they fall due. The manner in which the Company manages this risk is through the cash flow provided by the funding agreement with the Victorian State Government. In 2022–23 the Company received \$5,575,966 from the Victorian State Government (2021–22: \$6,302,000).

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

The following table summarises the maturity profile of the Company's financial liabilities:

	Carrying amount \$	Maturity dates		
		Less than 1 month \$	1–3 months \$	3 months – 1 year \$
2023				
Trade and other payables	1,285,360	1,284,804	556	-
Other liabilities	2,027,746	-	-	2,027,746
Total financial liabilities	3,313,106	1,284,804	556	2,027,746
2022				
Trade and other payables	1,140,072	1,136,871	3,201	-
Other liabilities	500,965	-	-	500,965
Total financial liabilities	1,641,037	1,136,871	3,201	500,965

**Melbourne Recital Centre
Notes to the Financial Statements**

7.1.4 Equity price risk

The Company is exposed to equity price risk through its investments in managed investment portfolios held with VFMC. Such investments are allocated to match the investment objectives appropriate for the Company.

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

	<i>Carrying amount</i> \$	<i>-5%</i> <i>Net result</i> \$	<i>5%</i> <i>Net result</i> \$
2023			
Financial assets			
Investments	5,515,502	(275,775)	275,775
Total impact	5,515,502	(275,775)	275,775
2022			
Financial assets			
Investments	5,345,317	(267,266)	267,266
Total impact	5,345,317	(267,266)	267,266

The balances for these calculations are gross of any income tax equivalents.

7.2 Contingent assets and contingent liabilities

As at 30 June 2023 there are no contingent assets or contingent liabilities (2022: nil).

7.3 Fair value determination and impairment

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

- Level 1 – The fair value of financial instruments 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.

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

Melbourne Recital Centre Notes to the Financial Statements

Identifying unobservable inputs (Level 3) fair value measurements

Level 3 fair value inputs are unobservable valuation inputs for an asset or liability. These inputs require significant judgement and assumptions in deriving fair value for both financial and non-financial assets.

Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e. an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

7.3.1 Financial assets measured at fair value

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

	<i>Carrying amount as at 30th June</i> \$	Fair value measurement at end of reporting period using:		
		<i>Level 1</i> \$	<i>Level 2</i> \$	<i>Level 3</i> \$
2023				
Investments in:				
Managed investment schemes	5,515,502	-	5,515,502	-
Total financial assets	5,515,502	-	5,515,502	-
2022				
Investments in:				
Managed investment schemes	5,345,317	-	5,345,317	-
Total financial assets	5,345,317	-	5,345,317	-

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 Company invests in managed funds, which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock-up periods, redemption gates and side pockets. The Company considers the valuation techniques and inputs used in valuing these funds as part of its due diligence prior to investment, to ensure they are reasonable and appropriate and therefore the net asset value (NAV) of these funds may be used as an input into measuring their fair value. In measuring this fair value, the NAV of the funds is adjusted, as necessary, to reflect restrictions and redemptions, future commitments and other specific factors of the fund. In measuring fair value, the Company would rely on the closing quoted unit price of the fund. Depending on the nature and level of adjustments needed to the NAV and the level of trading of the Company, the Company classifies these funds as either Level 2 or Level 3.

**Melbourne Recital Centre
Notes to the Financial Statements**

7.3.2 Non-financial assets measured at fair value

	<i>Carrying amount as at</i>	<i>Fair value measurement at end of reporting period using:</i>			<i>Carrying amount as at</i>	<i>Fair value measurement at end of reporting period using:</i>		
	<i>30th June 2023 \$</i>	<i>Level 1(i) \$</i>	<i>Level 2(i) \$</i>	<i>Level 3(i) \$</i>	<i>30th June 2022 \$</i>	<i>Level 1(i) \$</i>	<i>Level 2(i) \$</i>	<i>Level 3(i) \$</i>
Venue furniture and equipment (ii)	1,344,045	-	-	1,344,045	793,504	-	-	793,504
Office furniture and equipment (ii)	79,170	-	-	79,170	59,273	-	-	59,273
Music instruments (ii)	1,025,575	-	-	1,025,575	792,017	-	-	792,017
Cultural assets	609,091	-	609,091	-	609,091	-	609,091	-
Total of assets at fair value	3,057,881	-	609,091	2,448,790	2,253,885	-	609,091	1,644,794

Melbourne Recital Centre Notes to the Financial Statements

Reconciliation of Level 3 fair value movements

	Venue furniture & equipment \$	Office furniture & equipment \$	Music instru- ments \$	Assets under construction \$	Total \$
2023					
Opening balance	793,503	59,273	792,018	313,850	1,958,644
Purchases	648,887	74,034	-	(313,850)	409,071
Depreciation	(91,833)	(53,203)	(11,313)	-	(156,349)
Gains or losses recognised in net result					
Gain/(loss) on disposal of fixed assets	(6,512)	(934)	-	-	(7,446)
Subtotal	1,344,045	79,170	780,705	-	2,203,920
Gains or losses recognised in other economic flows – other comprehensive income					
Revaluation	-	-	244,870	-	244,870
Subtotal	-	-	244,870	-	244,870
Closing balance	1,344,045	79,170	1,025,575	-	2,448,790
2022					
Opening balance	849,038	112,184	823,911	-	1,785,133
Purchases	37,486	-	-	313,850	351,336
Depreciation	(93,021)	(52,911)	(31,893)	-	(177,825)
Gains or losses recognised in net result					
Gain/(loss) on disposal of fixed assets	-	-	-	-	-
Subtotal	793,503	59,273	792,018	313,850	1,958,644
Gains or losses recognised in other economic flows – other comprehensive income					
Revaluation	-	-	-	-	-
Subtotal	-	-	-	-	-
Closing balance	793,503	59,273	792,018	313,850	1,958,644

Notes:

- (i) Classified in accordance with the fair value hierarchy. There have been no transfers between levels during the period.
- (ii) The fair value reflects MRC's assessment of assets to the extent that it is 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 assets that are physically possible, legally permissible, and financially feasible. As depreciation adjustments are considered as significant, unobservable inputs in nature, Venue furniture and equipment, Office furniture and equipment, and Music instruments are classified as Level 3 fair value measurement.

Melbourne Recital Centre Notes to the Financial Statements

7.3.2.1 Impairment of non-financial assets

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

7.3.2.2 Revaluation of non-financial assets

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

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

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

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

Cultural assets

Cultural assets represent works of art and are valued using the best estimate of the price reasonably obtainable in the market at reporting date. An independent valuation of cultural assets was performed by John McPhee (John McPhee Pty Ltd) at 30 June 2023. The valuation method compared recent prices for similar items. Factors taken into account include age, condition, significance of work and importance of the artists associated with the works.

To the extent that these assets do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach. The effective date of the valuation of the cultural assets is 30 June 2023.

Musical instruments

Musical instruments include those key instruments that are used for daily performances in the Centre. They were valued using the replacement costs of assets the same age and condition. These assets were revalued at 30 June 2023 by independent specialists which included Exclusive Piano Group, Alastair McAllister, Paul McNulty, Ken Falconer and Australian Piano warehouse.

Other asset classes

All other asset classes are held at fair value. As the assets included in these asset classes are considered specialised in use, such that they are rarely sold, fair value is determined using the current replacement cost method. For all assets measured at fair value, the current use is considered the highest and best use. There were no changes in valuation techniques throughout the period to 30 June 2023.

Melbourne Recital Centre
Notes to the Financial Statements

NOTE 8: OTHER DISCLOSURES

Introduction

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

Structure

- 8.1 Other economic flows included in net result
- 8.2 Reserves
- 8.3 Responsible persons
- 8.4 Remuneration of executives
- 8.5 Related parties
- 8.6 Remuneration of auditors
- 8.7 Subsequent events
- 8.8 Australian Accounting Standards issued that are not yet effective

8.1 Other economic flows included in net result

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

		2023 \$	2022 \$
Net gain/(loss) on disposal of property plant and equipment	(a)	(7,446)	-
Net gain/(loss) arising from revaluation of financial assets at fair value through net result	(b)	170,185	(588,970)
Net gain/(loss) arising from revaluation of long service liability	(c)	(6,530)	-
Total Other economic flows included in net result		156,209	(588,970)

(a) Revaluation of financial assets reclassified at fair value through net result as per AASB 9.

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

(c) Revaluation gain/(loss) due to changes in bond rates.

**Melbourne Recital Centre
Notes to the Financial Statements**

8.2 Reserves

		2023 \$	2022 \$
Equity			
Accumulated surplus	8.2	3,132,330	3,521,500
Physical asset revaluation reserve	8.2	1,098,372	853,502
Public Fund – Endowment	8.2.1	12,764,451	11,111,246
Public Fund – Externally funded special projects reserve	8.2.1	329,206	345,504
Public Fund – Physical asset revaluation reserve	8.2.1	(40,454)	(40,454)
		17,283,905	15,791,298

		2023 \$	2022 \$
Accumulated surplus			
Balance at beginning of year		3,521,500	2,813,716
Net result		1,247,737	409,854
Movement in Public Fund - Endowment		(1,653,205)	396,346
Net movement in Public Fund - Externally funded special projects reserve		16,298	(98,416)
Balance at end of year		3,132,330	3,521,500

The balance of the revaluation reserve as shown in the below table combines the net amount within both MRC (\$1 million) and its Public Fund (-\$0.01 million) as shown in equity.

		2023 \$	2022 \$
Physical asset revaluation reserve			
Balance at beginning of year		853,502	853,502
Asset revaluation increments	(i)	244,870	-
Physical asset revaluation reserve		1,098,372	853,502
add			
Public Fund – Physical asset reserve per previous year		(40,454)	(40,454)
Balance at end of year		1,057,918	813,048

(i) Changes in physical asset revaluation reserve is disclosed in Note 7.3.2.

Melbourne Recital Centre Notes to the Financial Statements

Note 8.2.1 Public Fund

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

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

OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
Revenue		
Grants and donations	1,926,920	876,715
Distribution from managed funds	141,223	185,441
Interest and franking credits	341,798	7,184
Total revenue	2,409,941	1,069,340
Expenses		
General programming	429,170	756,900
Specific programming	236,894	-
Access initiatives	234,520	19,815
Cost of fundraising	42,635	-
Total expenses	943,219	776,715
Net result from transactions (net operating balance)	1,466,722	292,625
Other economic flows - Included in net result		
Changes in market value of investments	170,185	(588,970)
Net result	1,636,907	(296,345)

**Melbourne Recital Centre
Notes to the Financial Statements**

BALANCE SHEET AS AT 30 JUNE 2023

	2023 \$	2022 \$
Assets		
Cash and deposits	7,937,668	6,264,611
Investments	5,515,502	5,345,317
Cultural assets	154,545	154,545
Total assets	13,607,715	11,764,473
Liabilities		
Accrued Expenses	554,512	348,177
Total liabilities	554,512	348,177
Net assets	13,053,203	11,416,296
Equity		
Public Fund - Endowment	12,764,451	11,111,246
Public Fund - Externally funded special projects reserve	329,206	345,504
Physical asset revaluation reserve	(40,454)	(40,454)
Total equity	13,053,203	11,416,296

8.2.1.1 Externally funded special projects reserve

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

8.2.2 Economic dependence

During this financial year, the Company was dependent on additional Victorian State Government Grant funding to operate the business. At the date of this report the Directors believe the Victorian State Government will continue to support the Company.

8.3 Responsible persons

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

Responsible Minister

The Honourable Steve Dimopoulos MP, Minister for Creative Industries

Responsible Persons

Professor Andrea Hull AO

Professor Deborah Cheetham Fraillon AO

The Honourable Mary Delahunty

Paul Donnelly

Associate Professor Jody Evans

Liz Grainger

Monica Lim

Peter McMullin AM

Eda Ritchie AM (until 2 March 2023)

Melbourne Recital Centre Notes to the Financial Statements

Amounts relating to the Ministers remuneration are reported in the State's Annual Financial Report. All Directors are appointed by the Minister for Creative Industries, and all served throughout the year and to the date of this report, unless otherwise stated in the above table. They do not receive remuneration for services provided in their role as board members.

Accountable Officer

Euan Murdoch (CEO until 28 February 2023)

Sarah MacPherson (Interim CEO from 1 March – 2 April 2023)

Sandra Willis (CEO from 3 April 2023)

The Remuneration received or receivable by the Accountable Officer in connection with the management of the Company during the reporting period and inclusive of any minimum workplace entitlements paid upon resignation was in the range of \$320,000 – \$339,999 (2022: \$240,000 – \$259,999).

8.4 Remuneration of executives and executive equivalents

The number of executives, other than ministers and accountable officers, 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 executives over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid or payable by the entity in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis, and is disclosed in the following categories.

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

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

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

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

Remuneration of executives

	2023 \$	2022 \$
Short-term benefits	832,090	758,426
Post-employment benefits	83,748	73,261
Other long-term benefits	20,802	18,960
Total remuneration	936,640	850,647
Total number of executives and executive equivalents	5	5
Total annualised employee equivalent (AEE) (a)	5	5

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

Melbourne Recital Centre Notes to the Financial Statements

8.5 Related parties

Related parties of the Company include:

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

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

Significant transactions with Victorian State Government related entities

The Victorian State Government provides ongoing annual funding to the Company in order to support its operations.

During the 30 June 2023 year, the Victorian State Government provided funding of \$5.6 million.

The Victorian State Government owns the Melbourne Recital Centre building in Southbank.

When maintenance or building improvement works are required, the Victorian State Government provides the necessary funds to the Company in order to arrange for the completion of the work and pay suppliers on their behalf. The total funds received for these building works during the 30 June 2023 year amounted to \$2.0 million (2022: \$1.1 million).

The Company has investments held with the VFMC that are disclosed in note 4.3.

Key management personnel

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

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives.

The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* (Vic) and is reported within the State's Annual Financial Report. Board members do not receive remuneration for services provided.

Remuneration of key management personnel

	2023 \$	2022 \$
Short-term benefits	1,145,014	1,016,276
Post-employment benefits	107,756	96,563
Other long-term benefits	22,387	25,407
Total remuneration	1,275,157	1,138,246

There were no material transactions or balances with key management personnel and other related parties during the year (2022: nil).

Melbourne Recital Centre Notes to the Financial Statements

8.6 Remuneration of auditors

	2023 \$	2022 \$
Victorian Auditor-General's Office		
Audit of the financial statements	42,000	41,000

8.7 Subsequent events

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

8.8 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022–23 reporting period. These accounting standards have not been applied to the Company's Financial Statements. The Company is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

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 and identification of economic obsolescence.

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

Melbourne Recital Centre Notes to the Financial Statements

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

AASB 2020-1 amended AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022.

AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022.

AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it:

- clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or non-current; and
- requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date.

AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023.

The Company is currently in the process of assessing the potential impact of these standards and amendments.

- A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

Independent Auditor's Report

To the Directors of the Melbourne Recital Centre

Opinion

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

- balance sheet as at 30 June 2023
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- directors' declaration.

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

- presenting fairly, in all material respects, the financial position of the company as at 30 June 2023 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 company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in 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.

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, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, 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.



**Disclosure Index
for the Financial Year Ended 30 June 2023**

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

Legislation	Requirement	Page reference
Financial statements required under Part 7 of the <i>Financial Management Act 1994</i> (Vic)		
SD 5.2	Statement of changes in equity	
SD 5.2	Operating statement	
SD 5.2	Balance sheet	
SD 5.2	Cash flow statement	
Other requirements under Standing Directions 5.2		
SD 5.2.1 (a)	Compliance with Australian accounting standards and other authoritative pronouncements	
SD 5.2.3	Accountable officer's declaration	
Other disclosures as required by FRDs in notes to the financial statements		
FRD 13	Disclosure of parliamentary appropriations	
FRD 21	Disclosure of Responsible Persons and Executive Officers	
FRD 103	Non-financial physical assets	
FRD 110	Cash flow statements	
FRD 112	Defined benefit superannuation obligations	

Legislation

Building Act 1993 (Vic)

Financial Management Act 1994 (Vic)

Local Jobs First Act 2003 (Vic)

Public Interest Disclosures Act 2012 (Vic)

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RECITAL
CENTRE**

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Principal Government Partner

