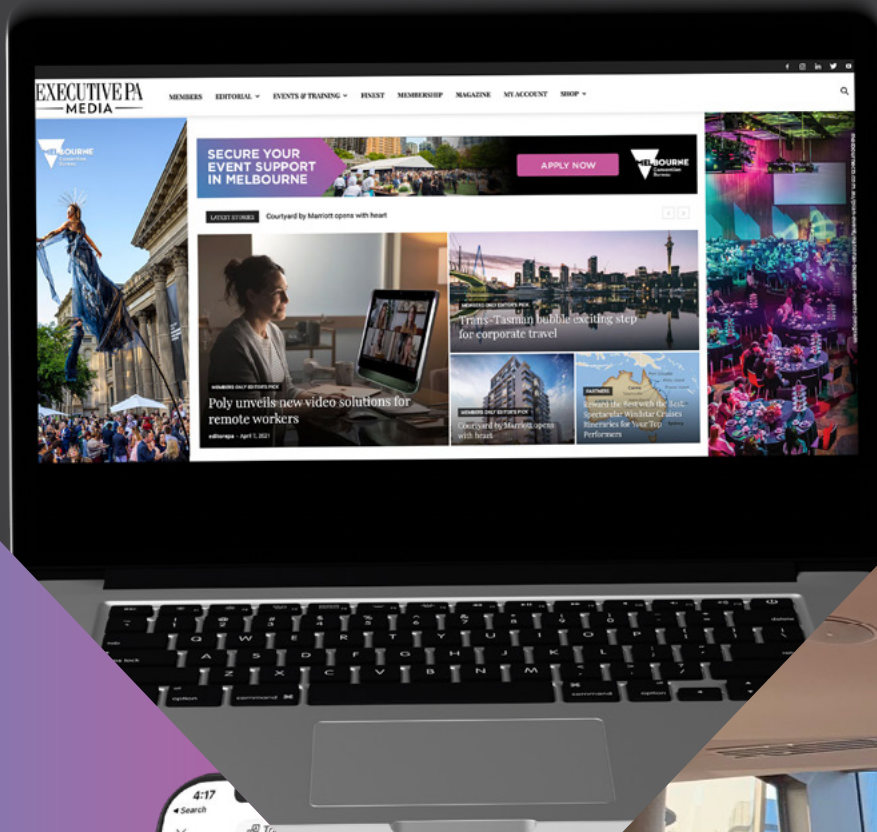


ANNUAL REPORT 2020/21

MELBOURNE
CONVENTION
BUREAU





**GREAT EVENTS
LIVE HERE**
MELBOURNE
AUSTRALIA

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FOREWORD

MINISTER'S FOREWORD



The Melbourne Convention Bureau (MCB) has helped drive strong economic outcomes for Victoria over many years and business events will play an important role in our economic recovery in the years ahead.

Over the course of 2020-21, restrictions on travel and public gatherings had a significant impact on the delivery of business events and the Victorian Government recognises MCB's success in securing future events and its efforts to keep the industry connected.

Through this year's Budget, the Victorian Government has backed MCB as the state's lead agency in acquiring and delivering business events, through a long-term commitment of \$41.2 million in funding over four years. This will enable MCB to continue its work in building Victoria's international reputation as the nation's leading business destination, and to attract a strong pipeline of business events to our state.

Importantly, the events MCB secured for the state this year will help reignite our economy, bring business back together through collaboration at conferences and create trade and investment opportunities at exhibitions, for the benefit of the whole community in the years ahead.

This investment has also provided more flexibility in supporting MCB to boost its presence in the national business event sector and allows for a greater focus on targeting short lead-time business events, until international conferences return.

A key initiative demonstrating this is the successful launch of the National Business Events Program, a grant program designed to attract domestic business events to Greater Melbourne.

The National Business Events Program administered by MCB has placed Victoria in a far more competitive position to capture a higher portion of the national business events market, building confidence with planners and key decision-makers to plan and book their events in Melbourne and importantly, driving business to the Victorian business events supply chain when it's most needed.

Hon Martin Pakula MP

Minister for Tourism, Sport and Major Events

CHAIR'S FOREWORD

Despite the difficult environment presented by the continuing coronavirus pandemic during the 2020/21 financial year, the MCB team rose to the ongoing challenges to ensure a solid pipeline of future events for Melbourne over the coming years.

MCB's work in international and domestic markets has continued to secure high yield events for the city out to 2028. These events will deliver significant direct revenue to the Victorian business events supply chain and help provide long term certainty for Victoria's visitor economy.

We welcomed the Victorian Government's commitment to support the Melbourne Convention Bureau to acquire business events for the state, through a long-term investment of \$41.2 million over four years. This commitment recognises MCB as an important contributor to our economy, supporting job creation, trade and investment opportunities for the benefit of the whole community.

Throughout the year, MCB maintained a full presence both within Australia and across our offices in London, Washington DC, Kuala Lumpur and Shanghai. We worked with our portfolio of international clients to reschedule, rather than cancel business events originally planned for this year and MCB has been successful in retaining 60 per cent of the economic value of these events for future years.

MCB also launched the National Business Events Program to stimulate the short and medium-term recovery of the local business events sector. The first of its kind for Victoria, the funding provided business event organisers a significant cash injection to support costs for hosting their events in Melbourne, including accommodation, venue hire, transport and other event costs.

The program is an important step in aiding the immediate restart of the business events sector when appropriate, and we look forward

to welcoming 36 events already approved at the close of the financial year. These events, to be held in 2022, are expected to deliver \$102 million in economic contribution to the state.

As an organisation we are acutely aware that for our partners in business events, tourism, accommodation and the hospitality industry, 2021 has brought continued uncertainty, disruption, stress and economic pressure on an unprecedented scale. In acknowledgment of this difficult period, the MCB Board approved further extensions to memberships with fees waived throughout the entire financial year.

Having commenced my position as Chair in February 2021, on behalf of the Board of Directors, I would like to thank and commend Julia Swanson and her team for the results they have achieved and acknowledge the broader industry and Government partnerships for their ongoing support provided to MCB.

I would also like to acknowledge outgoing MCB Chair Peter Crinis and thank him for his contribution and service to the MCB Board.



A handwritten signature in dark ink that reads "Deb Beale".

Deborah Beale AM

Chair
Melbourne Convention Bureau



CEO'S FOREWORD

Our purpose has never been more relevant than over the past year. Driving economic and social progress for Victoria by securing and delivering world class business events, has provided MCB with a strong sense of direction in the shadow of the COVID-19 pandemic.

Against this backdrop, we have delivered a sound result, strengthening Melbourne's position as a global leader in business events and enhancing Victoria's reputation as Australia's event capital.

Our strategy has been instrumental in guiding the organisation, as it lays down the foundation for a bright future for business events in our state. This has included enhancing our profile and business opportunities across both international and domestic markets, engaging stakeholders, and solidifying the significant value that MCB contributes to the economy, the business events sector, and the community.

The ongoing commitment and passion of the MCB team is most evident through the 40 international association and national business events secured for future years. These events will deliver a \$150 million contribution to rebuilding the Victorian economy.

This past year has also been notable for industry and government continuing to work collaboratively, focussing on the long-term sustainability of the business events sector, and implementing programs to help minimise the impacts of the pandemic.

In this regard, the strength and stability afforded through the Victorian Government's investment in MCB has been a significant factor in enabling MCB to continue its business development for larger international association events, and a focus on driving short term business via the successful launch of the National Business Events Program geared to attract national business events to the State.

Reflecting the changing landscape of business events, our targeted sales and marketing approach has set out an ambitious agenda to amplify awareness and consideration of Melbourne as a leading business destination, allowing the State's business events sector to regenerate while we prepare for the return of international delegates.

For MCB, this includes the development and expansion of digital products and services which reimagine the way bid services can be tailored to event owners, and an ambition to provide a leading digital experience for professional event organisers and event planners globally.

The successful launch of two intensive marketing campaigns across international and domestic markets has positioned Melbourne top of mind with key decision makers. This also reflects our purpose, with an explicit intent for business events to play

a significant role in Victoria's economic recovery and pave the way to supporting the industry to reconnect again in-person.



In aspiring to these ambitions, we recognise the importance of achieving the best balance of outcomes for all stakeholders. As an organisation we are acutely aware that for our MCB Partners sitting right at the coal face of business events, 2021 has brought continued uncertainty, disruption, stress and economic pressure on an unprecedented scale.

MCB has worked tirelessly to create new and unique high-level engagement opportunities for MCB Partners driven across a combination of trade training, event planning, agent liaising and media activity. Our team has continued to expand VR and experiential content featuring partners to high acclaim and remarkably broadened our audience reach connecting with over 4,000 event planners, professional conference organisers and key international association decision makers through hosted webinars and livestreamed product showcases.

We are increasingly focused on the impact our business practices have on our broader community and have elevated the importance of sustainability throughout the business this year. We spoke with client groups in order to better understand the issues that matter, and these now form the basis of our new approach in our Social Outcomes Strategy, encouraging event owners to incorporate specialised legacy concepts focused on delivering wider social and economic outcomes when hosting their events in Melbourne.

None of these achievements would have been possible without the hard work and dedication of our people who have remained focused on the needs of our clients and MCB Partners. Our success is underpinned by the support of the Victorian Government, Visit Victoria, City of Melbourne, Melbourne Convention and Exhibition Centre and our MCB partners.

I would like to acknowledge Peter Crinis, who stepped down as MCB Chair and welcome Deb Beale as MCB's new Chair. I look forward to working alongside Deb as we move to the next phase of recovery and rebound for the Victorian business events sector.

A handwritten signature in dark ink, appearing to read 'Julia Swanson'.

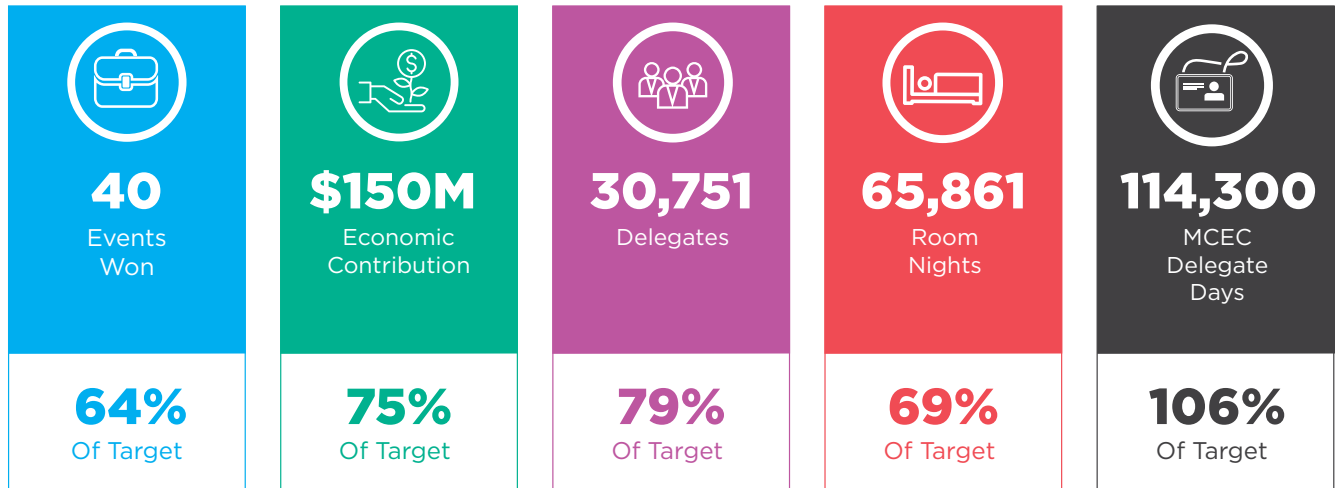
Julia Swanson
Chief Executive Officer
Melbourne Convention Bureau

A large audience is seated in a modern theater with green seats and a wooden ceiling. The audience is diverse in age and appearance, and they are all looking towards the stage. The theater has a curved, tiered design with a wooden ceiling and walls. The stage is visible in the background, with a red curtain and a bright light. A large blue triangle is overlaid on the left side of the image, containing the text "GREAT RESULTS FOUND HERE".

**GREAT
RESULTS
FOUND
HERE**

OVERALL RESULTS SNAPSHOT 2020/2021

MCB delivered a solid overall result for the 2020-2021 financial year ensuring a strong pipeline of business events for Melbourne through to 2028. Targets were impacted in proportion to challenges brought about by the ongoing COVID-19 pandemic, international and interstate travel restrictions, together with temporary closure of the Melbourne Convention and Exhibition Centre on and off throughout the financial year.



MAJOR EVENT WINS 2020/2021

SpineWeek 2023



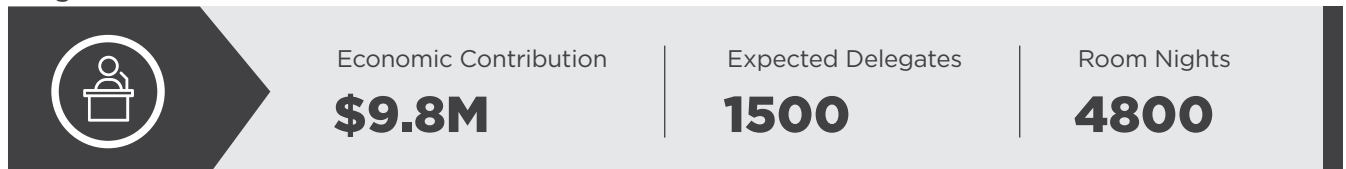
International Geographical Congress 2028



International Mass Spectrometry Conference - IMSC 2024



Congress of the World Federation of Pediatric Intensive & Critical Care Societies 2026



International Society for Extracellular Vesicles (ISEV) Annual Meeting 2024



Note., Events confirmed at time of publishing. Event year subject to change.



DIRECTORS' AND FINANCIAL REPORT



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Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

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Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The Directors present their report together with the financial statements of Melbourne Convention Bureau Limited (the Company), for the year ended 30 June 2021 and the auditor's report thereon.

1. DIRECTORS

The Directors of the Company at any time during or since the end of the previous financial year are:

Name and Independence Status	Experience and other directorships
Deborah Beale AM Independent Non-Executive Director	Appointed 25 February 2021 Chair. Board member of Visit Victoria Limited. Chair - Federation Square, Director - The Production Company. Director - Pinnacle Investment Management Ltd. Director - Victorian Ports Corporation Ltd. Scholarship Trustee - Mary Jane Lewis Scholarship Fund. Director - Eloque Pty Ltd.
Peter King Independent Non-Executive Director	Appointed 31 January 2012 Deputy Chair. Audit and Risk Committee Member from February 2012. Chief Executive - Melbourne Convention and Exhibition Trust. Director - Business Events Council of Australia (BECA). Director - International Association of Conference Centres, (AIPC). Director - Australian Sports Museum. Committee member - Melbourne Cricket Club Committee (MCC).
Julia Langdon Independent Non-Executive Director	Appointed 9 May 2013 Audit and Risk Committee Chair from May 2013. Partner, Advisory - Ernst & Young. Specific experience in risk management. Non-Executive Director - Uniting Agewell.
Adrian Williams Independent Non-Executive Director	Appointed 16 August 2017 Vice President of Operations Accor, Victoria, Tasmania, South Australia and Western Australia. Vice President Integration - Pacific - Accor Hotels (AAPC Limited). Chair - Accommodation Association of Australia (SAB - Victoria). Member - the Accommodation Advisory Panel for Victorian Tourism Industry Council.
Brendan McClements Independent Non-Executive Director	Appointed 3 February 2020 Chief Executive Officer - Visit Victoria Limited. Board member - Australian Tourism Data Warehouse.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

1. DIRECTORS (CONTINUED)

Name and Independence Status	Experience and other directorships
Anne Jamieson Independent Non-Executive Director	Appointed 8 December 2020 Chief Executive Officer - Saxton Speakers Bureau. Vice Chair - Victorian Tourism Industry Events Council. Committee Member - Not In My Workplace.
Peter Crinis Independent Non-Executive Director	Appointed 1 March 2020, resigned 5 February 2021 Board member - Visit Victoria Limited. Chief Executive Officer - Crown Sydney. Board member - Tourism Accommodation Australia. Director - the Children's Cancer Foundation.

2. COMPANY SECRETARY

Keith Herdman, CPA, was appointed to the position of Company Secretary effective 18 October 2006.

3. DIRECTORS' MEETINGS

Director	Board Meetings		Audit & Risk Committee Meetings	
	A	B	A	B
Deborah Beale AM	3	3		
Peter Crinis	4	5		
Peter King	8	8	7	7
Brendan McClements	8	8		
Adrian Williams	7	7		
Julia Langdon	8	8	7	7
Annie Jamieson	2	3		

A Meetings attended

B Meetings eligible to attend

4. AUDIT AND RISK COMMITTEE

The Audit and Risk Committee was established to assist the Board in fulfilling its responsibility to oversee and advise on the development and review of a framework of internal control for management of Melbourne Convention Bureau Limited (the Company). The Committee comprises a minimum of two members, both of which are independent, non-executive directors of the Company. The Chair may not be the Chair of the Board.

The external auditors / internal auditors, the chief executive officer, the chief financial officer and other persons are invited to attend Audit and Risk Committee meetings at the discretion of the Committee.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

5. RISK MANAGEMENT

A risk management framework was approved by the Audit and Risk Committee and adopted by the Board for the Company. The framework was developed in consultation with external advisers to ensure it is consistent with the Australian Risk Management Standard with an internal control system in place to enable the executive to understand, manage and satisfactorily control risk exposures.

Overview of the risk management system

The Board oversees the establishment and implementation of the Company's Risk Management System. The Board established and implemented the Audit and Risk Committee with the role of assessing, monitoring and managing the operational, financial reporting and compliance risks for the Company.

6. ENVIRONMENTAL REGULATION

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

7. ETHICAL STANDARDS

Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interests that could potentially conflict with those of the Company. The Board has developed procedures to assist directors to disclose potential conflicts of interest.

Where the Board believes that a significant conflict exists for a director on a Board matter, the director concerned is not present at the meeting whilst the item is considered.

8. COMPANY OBJECTIVES, STRATEGIES AND PRINCIPAL ACTIVITIES

Melbourne Convention Bureau Limited is a not-for-profit company limited by guarantee that is incorporated and domiciled in Australia. The address of the Company's registered office is Level 28, 727 Collins Street, Melbourne, Victoria 3008.

The principal activities of the Company during the year ended 30 June 2021 comprised of business development activities promoting Melbourne as Australia's premier business events destination and the securing of business events for Victoria. These assist in achieving the Company's short and long-term objectives of generating economic wealth for Melbourne and regional Victoria by securing national and international conventions, corporate meetings, exhibitions, and incentive travel reward programs. The Company measures its performance by assessing the economic contribution delivered as a direct result of the business secured.

9. FINANCIAL REVIEW

Revenue from operations for the year ended 30 June 2021 was \$7,329,762 (2020: \$11,827,200).

The result for the current year is a deficit of \$55,132 (2020 deficit: \$292,735).

The COVID-19 pandemic continued to have a material impact on the Company's operating revenue position during the financial year, with a reduction in business event revenue due to the postponement and cancellation of many Business Events.

The Company extended the membership period for all its members acknowledging the difficult trading conditions they have had to endure. Management identified certain programs and planned activity it could defer and reassess to mitigate the revenue shortfalls. Additionally, savings were achieved as many global trade shows were also cancelled or attended virtually and travel restrictions prevented attendance.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

10. DIVIDENDS

The Company's constitution does not permit the payment of dividends to members of the Company.

11. STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review not otherwise disclosed in these financial statements.

12. LIKELY DEVELOPMENTS

The Company's Retained Earnings continue to maintain sufficient capacity to absorb potential losses that may eventuate over the next 12 months. The business events industry endured a forced shut down for much of the reported financial year and while the recovery is underway, its progress has stalled. This is anticipated to have an impact on membership and commercial income streams which in turn may limit the Company's delivery of services.

13. INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

Since its inception the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an Officer or Auditor of the Company.

Insurance premiums

During the financial year the Company has paid insurance premiums of \$7,493 (2020: \$7,471) in respect of directors' and officers' liability insurance. These insurance premiums related to insurance of Directors and Officers of the Company named in this report. The insurance policies outlined do not contain detail of the premium paid in respect of individual Directors and Officers of the Company. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, except for conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

14. MEMBERS' GUARANTEE

The Company is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum amount of \$1 towards meeting any outstanding obligations of the Company.

As at 30 June 2021, the total number of members was 171 (2020: 170).

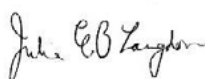
15. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is set out on page 40 and forms part of the directors' report for the financial year ended 30 June 2021.

This report is made with a resolution of the Directors.



Ms Deborah Beale AM
Chair



Ms Julia Langdon
Director

Dated at Melbourne this 11th day of October 2021.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Operating revenue	2.1	7,329,762	11,827,200
Employee benefit expenses	3.2	(4,880,374)	(4,776,082)
Marketing expenses	3.3	(2,218,454)	(3,542,729)
Grant expenses	3.4	414,976	(2,699,028)
Administration expenses	3.5	(701,042)	(1,102,096)
Net results from operations		(55,132)	(292,735)
Total comprehensive profit / (loss)		(55,132)	(292,735)

The notes on pages 22 to 38 are an integral part of these financial statements.

Melbourne Convention Bureau Ltd
A.B.N. 62 072 324 933
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
Assets			
Cash and cash equivalents	5.1	6,905,593	5,265,589
Trade and other receivables	4.1	218,196	714,632
Other assets	4.2	307,626	238,528
Total current assets		7,431,415	6,218,749
Total assets		7,431,415	6,218,749
Liabilities			
Trade and other payables	4.3	5,176,441	4,018,502
Employee benefits	3.2.2	454,560	354,919
Total current liabilities		5,631,001	4,373,421
Employee benefits	3.2.2	69,118	58,900
Total non-current liabilities		69,118	58,900
Total liabilities		5,700,119	4,432,321
Net assets		1,731,296	1,786,428
Equity			
Retained earnings		1,731,296	1,786,428
Total equity		1,731,296	1,786,428

The notes on pages 22 to 38 are an integral part of these financial statements.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Retained earnings \$
Balance at 30 June 2019	3,472,115
Adjustment due to AASB 15 and AASB 1058	(1,392,952)
Total comprehensive profit / (loss)	(292,735)
Balance at 30 June 2020	1,786,428
Total comprehensive profit / (loss)	(55,132)
Balance at 30 June 2021	1,731,296

The notes on pages 22 to 38 are an integral part of these financial statements.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Cash receipts from customers		8,559,008	13,523,592
Cash paid to suppliers and employees		(6,514,285)	(12,073,934)
Interest income		5,743	18,506
Net GST paid to the Australian Taxation Office (ATO)		(410,462)	(660,600)
Net cash provided from operating activities	5.1.1	1,640,004	807,564
Net increase in cash and cash equivalents		1,640,004	807,564
Cash and cash equivalents as at 1 July		5,265,589	4,458,025
Cash and cash equivalents at 30 June	5.1	6,905,593	5,265,589

The notes on pages 22 to 38 are an integral part of these financial statements.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

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Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 1. ABOUT THIS REPORT

Melbourne Convention Bureau Limited ('the Company/MCB') is a not-for-profit company limited by guarantee. The Company was incorporated in Australia, and at all times during the year ended 30 June 2021, was domiciled in Australia. The Company's registered office is at Collins Square Tower Two, Level 28, 727 Collins Street, Melbourne, Victoria, Australia 3008.

The Company operates in one industry and geographic segment being primarily involved in providing convention and destination marketing services as well as acquiring and developing business events for the Victorian visitor economy.

On 23 May 2016, the members agreed that Visit Victoria Limited be allocated 51% of the voting rights in MCB with the members retaining the remaining 49% of voting rights. Under the terms of the Agreement, Visit Victoria Limited are not entitled to any share of the retained earnings of the Company.

1.1 Basis of preparation

These financial statements are presented in Australian dollars, which is the Company's functional currency and have been prepared on the historical cost basis unless otherwise stated.

All foreign currency transactions during the financial year are brought to account using the relevant contract rate in effect at the date of the transaction. Foreign monetary items at reporting date are translated at the exchange rate existing at reporting date.

The financial statements have been prepared on the historical cost basis unless otherwise stated. The accrual basis of accounting has been applied in preparing these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements have been prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The accounting policies set out in the notes have been applied in preparing the financial statements and comparative information for the year ended 30 June 2021. Where, necessary, comparatives have been reclassified for consistency with current year disclosures.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

1.2 Income tax

The Company is exempt from income tax under section 50-40 of the *Income Tax Assessment Act 1997*.

1.3 Compliance information

In the opinion of the Directors, the Company is not publicly accountable. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB's) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Details of the Company's accounting policies are included in these notes to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 11th October 2021.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 2. FUNDING THE DELIVERY OF SERVICES

The Company's operations are mostly funded from the Victorian Government. Other sources of income include partnership income, membership fees and other income from commercial activities.

2.1 Summary of income that funds the delivery of services

	2021 \$	2020 \$
Operating State Government funding – DJPR	4,100,000	4,000,000
Business Event State Government funding – DJPR *	(414,976)	2,446,710
Melbourne Convention and Exhibition Trust	1,795,099	1,800,500
City of Melbourne funding	400,000	509,376
Industry co-operative revenue	125,000	948,279
In-kind contribution	-	83,600
Membership revenue	382,567	650,578
Advertising sales revenue	43,820	995,875
Finance income	5,743	18,506
Other Income	892,509	373,776
Operating Revenue	7,329,762	11,827,200

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and rebates.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the entity's activities as described below.

* The impact of Covid-19 has resulted in the postponement or cancellation of several Business Events which resulted in the withdrawal of payment eligibility. As a result, in 2020/21, an adjustment of \$960,000 has been made equally to both decrease in "Business Event State Government Funding – DJPR" revenue and a decrease in Grant expenses which were accrued in 2019/20.

2.2 Income from the State Government

Department of Jobs, Precincts and Regions (DJPR)

Operational grants are received from the State Government of Victoria, Department of Jobs, Precincts and Regions DJPR for the purposes of funding the Company's activities to fulfill its objectives to grow Victoria's visitor economy through convention marketing and acquisition. Such grants are recognised as income when the Company gains control of the underlying assets (AASB 1058).

Grants received in connection with business events are recognised as income when the Company has satisfied its performance obligations under the terms of the grant agreement (AASB 15).

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

2.3 Other income

Melbourne Convention and Exhibition Centre Trust (MCET)

The Company receives funding support from MCET through a partnership agreement. Income is recognised when it is received or receivable. (AASB 1058)

City of Melbourne funding

The Company receives funding support from the City of Melbourne through a partnership agreement. Income is recognised when it is received or receivable. (AASB 1058)

Industry co-operative revenue

The amount recognised for co-operative ventures refers to funds directly received for activities such as brochure participation and co-operative marketing. Funds from co-operative venture participants are recognised when received or due and receivable, except where received in respect of the following financial year. Funds received prior to activities having taken place are recognised as Contract Liabilities.

In-kind contributions

In-kind contributions that are non-reciprocal transfers to the Company are recognised at their fair value as both income and expenditure when received, where fair value is determined with reference to similar goods and services.

Membership revenue

Membership revenue is recognised when received or due and receivable, except when received in respect of the following financial year.

Advertising sales revenue

Advertising sales revenue is recognised when it is received or receivable. The Company receives revenue from the sale of advertising through its publications

Other income

Other income is recognised when received or receivable and includes booth/participation fee income, reimbursements from external organisations, co-operative ventures income and value applied to event hospitality provided to other bodies on a contract basis and other miscellaneous income.

Melbourne Convention Bureau Ltd

A.B.N. 62 072 324 933

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 3. COST OF DELIVERING GOODS AND SERVICES

The Company's most significant expenses result from providing convention marketing services, grant payments for event acquisitions and the regular operating costs in delivering these services.

3.1 Summary of expenses incurred in the delivery of services

	2021 \$	2020 \$
Employee benefit expenses	4,880,374	4,776,082
Marketing expenses	2,218,454	3,542,729
Grant expenses	(414,976)	2,699,028
Administration expenses	701,042	1,102,096
Total operating expenses	7,384,894	12,119,935

As presented in Note 2.1, the negative balance of Grant expenses resulted from the changes made in accordance with AASB 108 "Change in Accounting Estimates". An amount of \$960,000 of the 2019/20 estimate has been made equally to both a decrease in Operating revenue (State Government Funding - DJPR) and a decrease in Grant expenses in 2020/21.

3.2 Employee benefits

Employee expenses are recognised when incurred. These expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments, payroll tax and workers compensation insurance premiums

	2021 \$	2020 \$
Wages and salaries and associated on costs	4,330,300	4,197,315
Annual leave expense	246,118	256,341
Contributions to defined contribution plans	263,215	267,481
Long service leave expense	40,741	54,945
	4,880,374	4,776,082

3.2.1 Employee benefits in the statement of profit and loss

Defined superannuation contribution expense

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Superannuation contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred. During the year the Company paid contributions of \$263,215 (2020: \$267,481) to defined contribution superannuation plans on behalf of employees.

Defined superannuation benefit expense

The Company does not contribute to any defined benefit plans in Australia

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

3.2 Employee Benefits - continued

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

3.2.2 Employee benefits in the statement of financial position

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

Provisions are recognised when the Company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

	2021 \$	2020 \$
Provision for annual leave	258,376	208,365
Provision for long service leave	233,359	190,462
Provision for other leave	31,943	14,992
	523,678	413,819
Current	454,560	354,919
Non - current	69,118	58,900
	523,678	413,819

Annual leave

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

Long service leave

Unconditional long service leave is disclosed as a current liability even though the Company does not expect to settle the liability within 12 months, as it does not have an unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of current long service leave liability are measured at an undiscounted value where the Company expects to wholly settle within 12 months, or present value if the Company does not expect to wholly settle within 12 months. Conditional long service leave is disclosed as a non current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non current long service leave is measured at its present value.

Provision for other leave

This provision includes other leave entitlements defined in the Enterprise Agreement.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

3.3 Marketing expenses

The Company incurs marketing expenses in fulfilling its objective to grow Victoria's visitor economy through convention acquisition and marketing. The Company undertakes a multi-layered approach to achieve this objective by adopting a strong presence in the domestic, international and digital environments. Marketing costs are recognised as incurred when the relevant service has been provided.

3.4 Grant expenses

The Company provides funding to attract visitors, conferences and business events to the State and consolidate Melbourne and Victoria's position as a leading global convention and events destination. Payments are expensed as incurred and when performance obligations are met or contractual milestones are achieved.

As presented in Note 2.1, in accordance with AASB 108 "Change in Accounting Estimates", the changes of the 2019/20 estimate has been made equally to both a decrease in Operating revenue (State Government Funding – DJPR) and a decrease in Grant expenses in 2020/21.

3.5 Administration expenses

Administration expenses comprise the day to day running costs incurred in the normal operations and management of the Company.

	2021 \$	2020 \$
IT management	61,649	84,477
Professional services and consultancy	88,656	52,109
Insurance	25,927	23,297
Communications	15,116	22,837
Office accommodation	480,166	647,241
Other	29,528	272,135
	701,042	1,102,096

The Company incurs overhead costs by way of a shared services agreement with Visit Victoria Limited for the provision of office accommodation and equipment to enable the Company to undertake its day to day operations. The agreement is for a period no longer than twelve months and re-assessed annually. The parties' contract with each other on an arm's length basis. Refer Note 7.1 Related Parties for further details.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 4. OTHER ASSETS AND LIABILITIES

This section describes those assets and liabilities, including receivables and payables, that arise from the Company's operations comprising receivables and payables that are short term in nature.

4.1 Trade and other receivables

	2021 \$	2020 \$
Trade receivables	226,216	760,112
Provision for impairment	(11,165)	(197,315)
Other receivables	3,145	151,835
	218,196	714,632
Current	218,196	714,632
Non-Current	-	-
	218,196	714,632

Receivables consist predominantly of debtors in relation to goods and services. The Company considers all receivables in the financial years ended 30 June 2021 to be current in nature and will be settled within 12 months.

Trade receivables are classified as financial instruments and categorised as "financial assets at amortised cost". 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.

Provision for impairment. The Company assesses the recoverability of receivables on an individual basis. The allowance accounts in respect of receivables are used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off against the financial asset directly. The movement in the provision for impairment in respect of receivables during the year was as follows:

	2021 \$	2020 \$
Balance at 1 July	197,315	5,407
Impairment loss (derecognised)	(186,150)	191,908
Balance at 30 June	11,165	197,315

During the year the Company reached a settlement with a customer regarding the provision of convention management services. The terms of the settlement enabled the Company to derecognise an impairment provision recorded in the prior year.

Other receivables include sundry debtors.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

4.2 Other assets

Other assets include prepayments.

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

4.3 Trade and other payables

	2021 \$	2020 \$
Trade payables	41,144	6,854
Accrued expenses	669,801	1,192,207
Trade payables	710,945	1,199,061
Contract liabilities	4,136,037	2,589,180
Other	329,459	230,261
Other payables	4,465,496	2,819,441
Total Payables	5,176,441	4,018,502
Current	5,176,441	4,018,502
Non-Current	-	-
	5,176,441	4,018,502

Payables consist of:

- **Trade payables**, such as accounts payable, are classified as financial instruments and measured at amortised cost (refer to Note 6.2.3 for further details). Trade payable represents liabilities for goods or services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchases of goods and services.
- **Accrued expenses**: consists of business expenditures incurred but not yet paid.
- **Contract liabilities**: consists of amounts received during the year which relates to activities to be conducted in future financial years. Revenue is recognised only when the Company has satisfied its performance obligations under the terms of the grant and the remaining amount has been deferred in liability until satisfaction of the performance obligation.
- **Other payables**: includes goods and services tax (GST), payroll tax, pay as you go (PAYG) withholding, fringe benefits tax (FBT) and other provisions provided as at 30 June.

Goods and services tax (GST)

- Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.
- Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 5. FINANCING OPERATIONS

This section describes the financial assets (cash and cash equivalents) that are used by the Company in financing its operations.

5.1 Cash and Cash equivalents

Cash and cash equivalent recognised in the statement of financial position comprise cash at bank and deposits at call with other financial institutions.

	2021 \$	2020 \$
Bank balances	6,905,593	5,265,589
Cash and cash equivalents in the statement of cash flows	6,905,593	5,265,589

5.1.1 Reconciliation of net result to cash flows from operating activities

	2021 \$	2020 \$
(Loss) for the year	(55,132)	(292,735)
Adjustments for:		
Impairment loss	-	197,315
Depreciation on property, plant & equipment	-	1,213
	(55,132)	(94,207)
Decrease in trade and other receivables	496,436	123,271
(Increase) in other assets	(69,098)	(238,528)
Increase in trade and other payables	1,157,939	992,684
Increase in employee benefits	109,859	24,344
Net cash provided/ (used) by operating activities	1,640,004	807,564

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 6. RISKS, CONTINGENCIES, AND JUDGEMENTS

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 the 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 relate mainly to fair value determination.

6.1 Financial instruments fair values

6.1.1 Accounting classifications and fair values

The financial instruments held by the Company at the reporting date were non-derivative financial assets (trade and other receivables, cash and cash equivalents) and non-derivative financial liabilities (trade and other payables). For all these financial instruments, the carrying amount is a reasonable approximation of fair value because of their short-term maturity and the expectation that they will be paid in full.

	Note	Cash and cash equivalents	Financial assets at amortised cost	Financial liabilities at amortised costs	Total
2020					
Contractual financial assets		\$	\$	\$	\$
Cash and cash equivalents	5.1	5,265,589	-	-	5,265,589
Receivables	4.1	-	714,632	-	714,632
Total Contractual financial assets		5,265,589	714,632	-	5,980,221
Contractual financial liabilities					
Payables	4.3	-	-	4,018,502	4,018,502
Total Contractual financial liabilities		-	-	4,018,502	4,018,502
2021					
Cash and cash equivalents	5.1	6,905,593	-	-	6,905,593
Receivables	4.1	-	218,196	-	218,196
Total Contractual financial assets		6,905,593	218,196	-	7,123,789
Contractual financial liabilities					
Payables	4.3	-	-	5,176,441	5,176,441
Total Contractual financial liabilities		-	-	5,176,441	5,176,441

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NOTES TO THE FINANCIAL STATEMENTS

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6.1.2 Measurement of fair values

No financial instruments are held at fair value, however, should items be held at fair value in the future the Company's policy for determining the fair values and net fair values of financial assets and financial liabilities is as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and are traded on active liquid markets are determined with reference to quoted market prices; and
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models on discounted cash flow analysis.

6.2 Financial risk management

The Company's main exposures are to the following financial risks:

- credit risk and
- liquidity risk

It aims to manage these risks and associated variability in financial performance in accordance with its risk management framework.

6.2.1 Risk Management framework

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has an Audit and Risk Committee who oversees the internal and external audit functions and monitor the Company's internal control and compliance framework. The Audit and Risk Committee also monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to risks faced by the Company.

6.2.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

The carrying amount of financial assets represents the maximum credit exposure.

Cash and cash equivalents

The Company held cash and cash equivalents, including other assets, of \$6,905,593 (2020: \$5,265,589) on 30 June 2021, which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with financial institution counterparties with strong credit ratings.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each debtor. The Company does not operate as a 'trading' entity and trade receivables relate to sundry receivables from a small number of counterparties or outstanding membership fees. As at 30 June 2021, there is \$11,165 allowance for impairment. (2020: \$197,315).

There are no material financial assets which are individually determined to be impaired. The average credit period for receivables is 30 days (2020: 30 days).

Currently the Company do not hold any security relating to its financial assets nor are there any receivables whose credit terms have been reviewed to avoid them being past due or impaired.

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NOTES TO THE FINANCIAL STATEMENTS

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6.2 Financial risk management - continued

	Carrying Amount	Neither Past Due Nor Impaired	Past Due But Not Impaired			Past Due And Impaired 3 Months - 1 Year
			Less Than 1 Month	1-3 Months	3 Months - 1 Year	
30 June 2020	\$	\$	\$	\$	\$	\$
Trade and other receivables	714,632	55,459	612,227	6,325	40,621	-
	714,632	55,459	612,227	6,325	40,621	-
30 June 2021						
Trade and other receivables	218,196	33,787	3,145	72,287	108,977	-
	218,196	33,787	3,145	72,287	108,977	-

	Current	Less Than 1 Month	1-3 Months	3 Months - 1 Year	More than 1 Year	Total
30 June 2020	\$	\$	\$	\$	\$	\$
Expected loss rate	0%	30%	100%	12%		
Gross carrying amount of receivables	55,459	612,227	6,325	40,621	-	714,632
Loss Allowance		186,150	6,325	4,840	-	197,315
30 June 2021						\$
Expected loss rate	0%	0%	0%	0%	100%	
Gross carrying amount of receivables	33,787	3,145	72,287	97,812	11,165	218,196
Loss Allowance	-	-	-	-	11,165	11,165

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FOR YEAR ENDED 30 JUNE 2021

6.2.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company typically ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

Exposure to liquidity risk

The table below presents the remaining contractual maturities of financial liabilities at the reporting date. Gross and undiscounted amounts are shown below.

	Carrying Amount	Nominal Amount	0-1 Year	1-2 Years	2-5 Years	More Than 5 Years
30 June 2020	\$	\$	\$	\$	\$	\$
Trade and other payables	1,429,322	1,429,322	1,429,322	-	-	-
Income in advance	2,589,180	2,589,180	2,589,180	-	-	-
	4,018,502	4,018,502	4,018,502	-	-	-
30 June 2021						
Trade and other payables	1,040,404	1,040,404	1,040,404	-	-	-
Income in advance	4,136,037	4,136,037	4,136,037	-	-	-
	5,176,441	5,176,441	5,176,441	-	-	-

6.3 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position, but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of any GST.

There are no contingent assets or liabilities for the year ended 30 June 2021 (2020: Nil)

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

NOTE 7. OTHER DISCLOSURES

This section outlines those disclosures and other information required by accounting standards or otherwise to assist in the understanding of these financial statements. Disclosures include information about related parties, key management personnel, auditor's remuneration, significant events occurring after reporting date and key information regarding accounting standards.

7.1 Related parties

Melbourne Convention Bureau Limited is a not-for-profit company limited by guarantee. The members are the ultimate owners of the Company with funding predominately provided by the Department of Jobs, Precincts and Regions (DJPR). Related parties of Melbourne Convention Bureau Limited are considered to include:

- all key management personnel and their close family members
- the Company's parent entity, Visit Victoria Limited who holds a controlling 51% voting share in the Company
- 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.

7.1.1 Significant transactions with state government

During the reporting year, the Company had the following transactions with the state government.

	2021 \$	2020 \$
DJPR - State Government Funding	6,527,400	7,759,879
DJPR- payment	(50,000)	(50,000)
	6,477,400	7,709,879

All amounts above are shown inclusive of GST.

7.1.2 Transactions with key management personnel

Key management personnel compensation

Key management personnel comprise:

- all Directors of the Company;
- the Chief Executive Officer (CEO); and
- Executive Officers of the Company who meet the definition of key management personnel (KMP) of the entity under AASB 124 Related Party Disclosures.

Directors of the Company are not remunerated for performing their roles as Directors of the Company.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

7.1 Related parties - continued

Key management personnel compensation is detailed below and comprises salaries and non-cash benefits.

- *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

	2021 \$	2020 \$
Short-term employee benefits	1,030,498	1,053,031
Post-employment benefits	80,153	80,901
Other long term benefits	156,215	134,246
	1,266,866	1,268,178

Total number of executives and full time equivalent (FTE)	5	5
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Key management personnel and director transactions

Several key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over those companies. A number of these companies transacted with the Company during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence representing the ability to participate in the financial and operating policy decision of the Company, were as follows.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

		Transaction value for the year ended 30 June		Balance outstanding as at 30 June	
Directors related parties	Transaction	2021 \$	2020 \$	2021 \$	2020 \$
Adrian Williams Accor Hotels	Revenue - member and advertising sales	4,235	118,445	-	-
	Expenditure - sales and marketing	-	7,808	-	-
Adrian Williams Anne Jamieson Victorian Tourism Industry Council	Expenditure - sales and marketing	6,050	440	6,050	-
Peter King Melbourne Convention and Exhibition Trust	Revenue - MCET funding	1,974,610	1,980,550	-	-
	Revenue - sales and marketing	-	22,682	-	-
	Expenditure - sales and marketing	-	7,548	-	-
Peter Crinis Tourism Accommodation Australia (Victoria)	Revenue - member sales	-	2,420	-	-
Peter Crinis Deborah Beale AM Brendan McClements Visit Victoria	Receipts - Visit Victoria	343,517	67,747	-	-
	Expenditure - Visit Victoria	969,373	1,228,089	6,393	-
Julia Langdon Ernst and Young	Expenditure - sales and marketing	-	11,000	-	-
Ben Sington The Langham Hotel Melbourne	Revenue - member sales	-	40,404	-	-
Peter Crinis Crown Hotel	Revenue - member and advertising sales	-	146,454	-	-
	Expenditure - sales and marketing	-	6,092	-	-
Deborah Beale AM Federation Square	Revenue - member and advertising sales	6,287	-	6,287	-

Other than the compensation noted at 7.1.2. above there were no related party transactions involving Executives Officers of the Company.

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NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2021

7.2 Auditor's remuneration

	2021 \$	2020 \$
Audit and review services		
Victorian Auditor General's Office		
Audit of financial statements	43,000	42,000

There were no other services provided by the auditor of the Company during the financial year.

7.3 Subsequent events

Melbourne Convention Bureau Limited do not consider there has arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely to significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

COVID-19 has not materially impacted on the judgements, estimates and assumptions made about the financial information presented in this report.

7.4 Australian accounting standards issued that are not yet effective

Certain new and revised accounting standards have been issued but were not effective for the 2020-21 reporting period. These accounting standards have not been applied to the Financial Statements. The Company has reviewed its existing policies and assessed the potential implications of these accounting standards and do not consider them to have a material impact.

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DIRECTORS' DECLARATION

FOR YEAR ENDED 30 JUNE 2021

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Melbourne Convention Bureau Limited ('the Company'), I state that:

In the opinion of the Directors of Melbourne Convention Bureau Limited (the Company):


- (a) the financial statements and notes, set out on pages 17 to 38, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2021 and of their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Melbourne this 11th day of October 2021.

Signed in accordance with a resolution of the Directors on behalf of the Board.



Ms Deborah Beale AM
Chair



Ms Julia Langdon
Director

Auditor-General's Independence Declaration

To the Directors, the Melbourne Convention Bureau Limited

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 Convention Bureau Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

MELBOURNE
15 October 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

Independent Auditor's Report

To the Directors of Melbourne Convention Bureau Limited

Opinion	<p>I have audited the financial report of Melbourne Convention Bureau Limited (the company) which comprises the:</p> <ul style="list-style-type: none"> • statement of financial position as at 30 June 2021 • statement of profit or loss and other comprehensive income for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • notes to the financial statements, including significant accounting policies • directors' declaration. <p>In my opinion the financial report is in accordance with the <i>Corporations Act 2001</i> including:</p> <ul style="list-style-type: none"> • giving a true and fair view of the financial position of the company as at 30 June 2021 and its financial performance and cash flows for the year then ended • complying with Australian Accounting Standards and the <i>Corporations Regulations 2001</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the company in accordance with the auditor independence requirements of the <i>Corporations Act 2001</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I confirm that the independence declaration required by the <i>Corporations Act 2001</i>, which has been given to the Directors of the company, would be in the same terms if given to the Directors as at the time of this auditor's report.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Other information	<p>The Directors of the company are responsible for the Other Information, which comprises the information in the company's annual report for the year ended 30 June 2021 but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement</p>

Directors' responsibilities for the financial report	<p>The Directors of the company are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards and the <i>Corporations Act 2001</i>, and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors • conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

MELBOURNE
15 October 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

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