

Working  
Heritage

# ANNUAL REPORT

2023–2024



Authorised and published by:

Working Heritage Incorporated 280 William Street Melbourne Victoria 3000

© The State of Victoria, Working Heritage Incorporated, April 2025

The work is licensed under Creative Commons Attribution 4.0 Australia. You are free to re-use the work under the licence on the condition that you credit the State of Victoria as author. The licence does not apply to any images, photographs, or branding, including the Victorian Government logo and Working Heritage Incorporated logo. To view this copyright visit <http://creativecommons.org/licences/by/4.0/>

ISSN 2208-3936 (Online)

ISSN 2208-3928 (Print)

**Front cover: Farm Vigano Restaurant** *Natalie Zee*

Disclaimer: The State of Victoria, Working Heritage Incorporated and their employees do not guarantee that this publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence that may arise from you relying on any information in this publication.



▲ **The Clunes School of Mines** *Andrew Curtis*

Working Heritage respectfully acknowledges Victoria's Aboriginal communities and pays respect to their Elders both past and present. The organisation acknowledges the richness of Aboriginal cultures in Victoria and their connection to country.

# CONTENTS

CHAIR’S REPORT	1
WHAT WE DO	3
Introduction	3
Our responsibilities	3
Year in review	3
Property portfolio management	5
Our portfolio	7
Our relationships	9
ORGANISATIONAL STRUCTURE	10
Organisational chart	10
The Committee of Management	11
Organisational structure	11
Committee of Management and Executive Officer	12
GOVERNANCE	16
FINANCIAL STATEMENTS	18
HOW THIS REPORT IS STRUCTURED	19
DECLARATION IN THE FINANCIAL STATEMENTS	20
INDEPENDENT AUDITOR’S REPORT	21
COMPREHENSIVE OPERATING STATEMENT	23
BALANCE SHEET	24
CASH FLOW STATEMENT	25
STATEMENT OF CHANGES IN EQUITY	26
NOTES TO THE FINANCIAL STATEMENTS	27



## CHAIR'S REPORT

Working Heritage is governed by an incorporated Committee of Management appointed by the Minister for Environment, comprising eight diverse and skilled members and employing eight specialist staff. Since 1998 the organisation's mandate has been to adapt and reactivate redundant heritage properties on Victorian crown land for community benefit whilst conserving their heritage significance. In 2023 we celebrated the 25th anniversary of our formation.

Currently we have 16 properties, including 38 buildings, in our portfolio that are leased and licensed to a wide range of commercial, not-for-profit and community tenants. Income from the Mint Car Park supports the heritage buildings in our care. This self-funding model ensures that all these properties are of benefit to the community and maintained for future generations.

During 2023-24, the third and final year of its current term of appointment, the Working Heritage Committee of Management has worked diligently with staff to implement the four priorities identified in our Strategic Plan: place-based impact, empowering our team, innovation for resilience and adaptability, and collaborative partnerships and recognition of what we do.

Improvement works have been undertaken at Jack's Magazine, Carome Homestead, Farm Vigano and the Warracknabeal Court House, to further our strategic priority of place-based impact that will bring much benefit to their respective communities.

Following a decade of planning and \$2.5m of investment, the long-awaited activation of the iconic Jack's Magazine is growing closer. We were delighted to receive an award for the interpretation signage installed as part of our Reconciliation Action Plan.

While heritage buildings are our focus, we value the people that enable our work.

After seven years as Executive Officer and ten years at Working Heritage, we paid tribute to Ross Turnbull when we farewelled him in April. In June we welcomed new CEO, Sally Jones. It was testimony to the strength of the team that the transition was seamless, and we thank Graham O'Callaghan for taking on the Acting EO role in the interim.

In April we were deeply saddened to lose a valued committee member in a tragic road accident. The late Jeffrey Robinson was a champion for resilience and adaptability and will be remembered for his valuable contribution to Working Heritage.

Seeking opportunities for collaboration and partnerships was a high priority. During the year we met with representatives of Traditional Owner Councils, Parks Victoria, Heritage Council Victoria and Heritage Victoria.

We provided professional advice and delivered a community engagement program on behalf of Creative Victoria at the old Kyneton Primary School site. In June we hosted a panel discussion for our peers at the South Melbourne Temperance Hall to explore the topic of 'Whose Land Is It Anyway?'

We also continued to explore the benefits of transitioning into a Trust following a recommendation made by the Victorian Environmental Assessment Council.


With \$130 million of crown land assets in our care and a backlog of maintenance work to implement following the disruption of the pandemic, we recorded a small operating deficit of \$89,971 as of 30 June 2024.

Progressing our major projects and strategic priorities, as well as getting our asset maintenance program back on track, is a result that we are justifiably proud of.

I give thanks to my colleagues - Phillip Davies, Joan Ko, Adam Magennis, Megan McDougall, Trudy Rickard, Borz Shahsavand, and the late Jeffrey Robinson - who have provided an abundance of enthusiasm and skills to guide the governance of Working Heritage. Keith Kirkham's contribution as an independent member of the Audit and Risk Management Committee was also appreciated.

In addition to welcoming our new CEO Sally Jones and extending our sincere appreciation to outgoing Executive Officer, Ross Turnbull and all staff, we also wish to acknowledge the wise counsel of Chief Financial Officer Tony Christianen, and Human Resources Consultant, Renee Barnes. The ongoing advice and support of officers from the Department of Energy, Environment and Climate Action has been equally valued.

In accordance with the Crown Land (Reserves) Act 1978, I am pleased to present Working Heritage's Annual Report for the year ending 30 June 2024.



**Kerry Anderson**  
Chair, Working Heritage Incorporated Committee of Management  
22 October 2024



## WHAT WE DO

### INTRODUCTION

Working Heritage Incorporated (Working Heritage) conserves and manages redundant heritage properties on Crown land on behalf of the State of Victoria. Since its inception in 1998, Working Heritage has been appointed to manage 16 sites across Victoria, undertaking expert conservation and adaptation works to revitalise these sites for the benefit of the community.

### OUR RESPONSIBILITIES

The Working Heritage Committee of Management (Committee) has eight members appointed under the Crown Land (Reserves) Act 1978, administered by the Department of Energy, Environment and Climate Action (DEECA) and reporting to the Minister for Environment. The Committee is responsible for:

- managing, improving, maintaining and controlling the land for its reserved purposes;
- reporting on its finances and other issues, as required by the DEECA;
- maintaining records and administering its affairs as a public body; and
- exercising its statutory powers to carry out its duties.



▲ Art Exhibition at the former Wollert Church at Carome Homestead

### YEAR IN REVIEW

A new website was launched in July 2023, marking a significant digital milestone. Shortly after, the Jack’s Magazine Open House event was held, attracting over 600 attendees, highlighting strong community engagement. In August 2023, new signage work was completed at Jack’s Magazine, funded by the Westgate Tunnel Project, enhancing the site’s visibility. Throughout the year, 12 Old Kyneton Primary School (OKPS) activation events were successfully carried out, contributing to a series of impactful community initiatives. Additionally, an art exhibition featuring artist Suzanne Marchant was hosted at the former Wollert Church, showcasing local artistic talent. In May 2024, a 90-minute tour of Jack’s Magazine was organised in collaboration with the National Trust to celebrate the Australian Heritage Festival, offering participants a deeper understanding of the site’s historical significance. In honor of Reconciliation Week, a panel discussion was convened, focusing on the theme “Whose land is it anyway?”, and addressing key topics including Crown land, history, truth-telling, treaty, community, heritage management, and reconciliation.

Working Heritage’s first “Reflect” Reconciliation Action Plan (RAP) neared completion and helped empower the organisation to create strong and lasting ties with First Nations stakeholders, as well as help us understand our sphere of influence.

Working Heritage’s Strategic Plan (2022 – 2025) and organisational objectives (Place-based Impact; an Empowered and Thriving Team; Innovation for Resilience and Adaptability; and Recognition and Partnerships) continued to drive our operational activities.

Internal Audits were completed by Working Heritage’s contracted internal auditor, HLB Mann Judd, in the following areas of operation:

- Financial Management Compliance
- Payroll
- Cyber Security (Essentials Eight)
- Cyber Security (Penetration Testing)

Working Heritage was given a clean bill of health.





Working Heritage aims to have a balanced and diverse portfolio of heritage properties. In managing and considering expansion of the portfolio, Working Heritage considers five interrelated outcomes:

1. Heritage – the property is appropriately conserved, and its heritage significance identified, conserved, and valued.
2. Financial – most (if not all) properties are self-supporting and, ideally, contribute to Working Heritage’s income stream to fund conservation of further properties.
3. Adaptation – capital expenditure on adaptation of its properties is directed to a return-on-investment objective (where specified) tied to a lease agreement.
4. Community – the property is used, conserved, and maintained for the local community and the people of Victoria.
5. Sustainability – conservation of property is undertaken in accordance with principles of environmental sustainability.

Working Heritage adopts practices in line with the Australia ICOMOS Charter for Places of Cultural Significance (the Burra Charter). This Charter sets out a standard of practice for the conservation of places of cultural significance in Australia. The Charter is accepted by the Victorian Government in administering the Heritage Act 2017 and the profession in conservation practice.

## PROPERTY PORTFOLIO MANAGEMENT

The Working Heritage management team travelled to Beaufort in February 2023 to meet with members of the Beaufort Historical Society, a long serving tenant at the property.

Beaufort Historical Society presented a 10-year program for the property with a focus on community



engagement and inclusion, thus making the property a place that can be enjoyed by all in the Beaufort community. In December, Working Heritage agreed to grant a 10-year licence on a subsidised rental rate and to work with the Beaufort Historical Society to ensure they achieve success.

Our long-standing tenant at the Clunes School of Mines decided they would not take up the 10-year licence. Working Heritage would like to thank the Clunes Anglers Club for the care they have shown for the property, and we would like to wish them all the best with their future home.

Working Heritage continues to demonstrate its commitment to our regional properties and our community tenancies.

### Property maintenance:

Working Heritage continues to improve and maintain the properties in its care through an annual repairs and maintenance budget.

We completed a landscaping project at Carome Homestead that saw us recycling and repairing the old fencing throughout the site. The internal Homestead walls were refurbished and new energy efficient lighting installed throughout.

Other works of note include the repainting of the Clunes School of Mines and Beaufort Courthouse properties, restoring them to their former glory. Working Heritage remains committed to ensuring the properties in our care get the relevant maintenance, as required to ensure their longevity.

### Capital works:

Working Heritage completed the new Farm Vigano pedestrian paths into the site and a new accessible viewing deck overlooking the Plenty River. The works were funded by DEECA. Additionally, a refurbishment was undertaken to the Caretakers Cottage, allowing it to be occupied by the Friends of Farm Vigano community group.

The refurbishment of Skipton Courthouse flooring was undertaken under DEECA’s flood remediation funding program.

Construction works were undertaken at the Warracknabeal Courthouse in conjunction with Monash University and Yarrambiack Shire Council.

### ◀ Committee Site visit to Beaufort Court House



▲ Jack's Magazine



▲ Artefact, Ballan Court House *Andrew Curtis*



▲ Community gardens at Carome *Hin Lim*



▲ Panel discussion organised during the National Reconciliation Week

## OUR PORTFOLIO

**Table 1: The following properties made up Working Heritage’s portfolio in 2023–24.**

Property	Tenant	Primary Function	Lease Expiry
Former Royal Mint Site: Car Park	Working Heritage	Commercial Car Park	n/a
Former Royal Mint Site:	Stamoulis Property Group	Offices	2027
Main Building	Nafsika Stamoulis Hellenic Museum	Museum	2027
Former Royal Mint Site: North Guard House	The Mint Bar Limited	Bar and Restaurant	2033
Former Royal Mint Site: South Guard House	Working Heritage Incorporated	Office	n/a
Horticultural Hall	Victorian Opera	Rehearsals and Offices	2027
Carlton Court House	La Mama Theatre	Performances and rehearsals	2032
Geelong Telegraph Station	Geelong Performing Arts Centre	Arts administration	2024
Avoca Police Residence	Neelabindu	Residence	2024
Skipton Court House	Skipton Historical Society	Museum display	2033
Skipton Police Residence	Skipton Historical Society	Museum display	2033
Beaufort Court House	Beaufort Historical Society	Meetings and displays	2033
Drysdale Free Library and Hall	Drysdale Scouts	Scout meetings, community sports and activities, gift shop	2026
Farm Vigano: Fairview Manor	True Italian	Restaurant and function centre	2032
Farm Vigano: Shed	Hormayr Building	Workshop and store	Monthly
Farm Vigano: Cottage	Leased	Friends of Farm Vigano	2025
Farm Vigano: Community Centre	Dianella Plenty Valley Community Health Ltd	Community Health Centre	2031
Carome: Homestead	Two Beans and a Farm	Restaurant	2024
Carome: Garden	Mernda Community Garden at Carome	Community Garden	2027
Ballan Court House	Ballan Shire Historical Society	Meetings and displays	2033
Clunes School of Mines	Clunes Angling Club	Meetings	2024
Warracknabeal Court House	Not leased	n/a	n/a
South Melbourne Temperance Hall	BalletLab Association	Offices, rehearsal and performance space, accommodation	2032
Jack’s Magazine	Various licensees	Offices, workshops, and studios	Monthly
Daylesford Court House	Daylesford Neighbourhood Centre	Office, meetings, workshops, and studio	Overholding



16

Properties

38

Buildings

25

Tenants

8

Committee of  
Management  
Members

4

Sectors

Community  
Commercial  
Culture & Arts  
Hospitality

8

Staff  
Members

\$130M

Land & Buildings

\$2.56M

Income in 2023-24

\$2.65M

Expenses in 2023-24

## OUR RELATIONSHIPS

Working Heritage values its relationships with key stakeholders and works collaboratively to achieve its strategic outcomes including:

### STATE GOVERNMENT:

- Victorian Government
- Minister for Environment
- DEECA
  - Parks Victoria
  - Victorian Environmental Assessment Council
- Department of Jobs, Skills, Industry and Regions
  - Creative Victoria
  - Development Victoria
- Department of Treasury and Finance
  - Treasury Corporation of Victoria
- Heritage Council of Victoria
- Heritage Victoria

### LOCAL GOVERNMENT:

- City of Greater Geelong
- City of Melbourne
- City of Port Phillip
- City of Whittlesea
- Corangamite Shire Council
- Hepburn Shire Council
- Macedon Ranges Shire Council
- Maribyrnong City Council
- Moorabool Shire Council
- Pyrenees Shire Council
- Yarriambiack Shire Council

### REGISTERED ABORIGINAL PARTIES

- Barenji Gadjin Land Council Aboriginal Corporation
- Bunurong Land Council Aboriginal Corporation
- Dja Dja Wurrung Clans Aboriginal Corporation
- Taungurung Land and Waters Council
- Wadawurrung Traditional Owners Corporation
- Warinder Woi Wurrung Cultural Heritage Aboriginal Corporation

### HIGHER EDUCATION:

- Art, Design and Architecture, Monash University
- Melbourne School of Design, University of Melbourne
- Architecture and Urban Design, RMIT
- Humanities and Social Sciences, Deakin University

### TENANTS:

- Our current tenants
- Our future tenants

### LOCAL COMMUNITIES:

- Our current local community members
- Local historical societies
- Other community groups

### HERITAGE ORGANISATIONS:

- Australia ICOMOS
- The National Trust of Australia (Victoria)

### PARTNERS AND AFFILIATES:

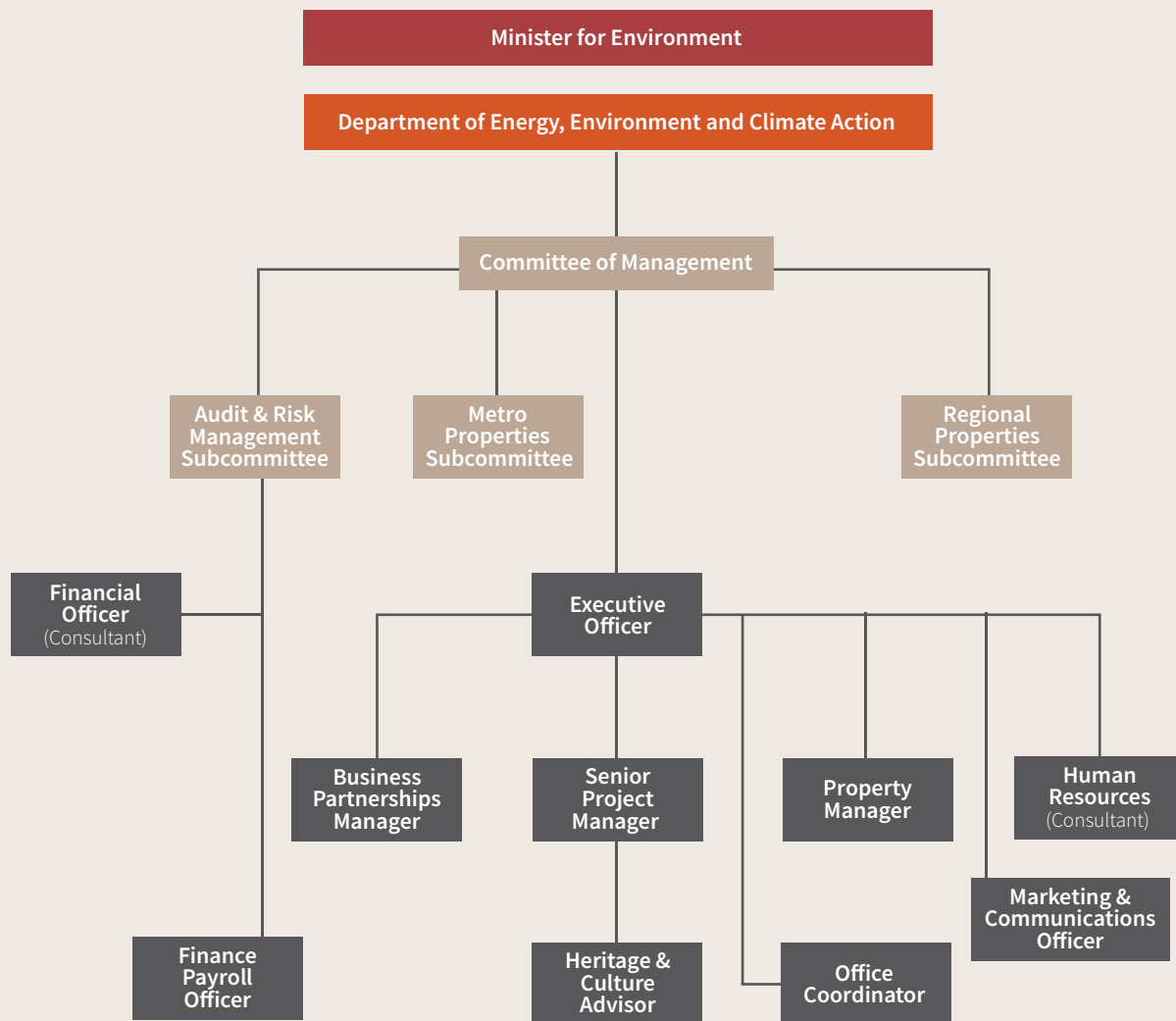
- Open House Melbourne
- Art Space Network
- Res Artis
- Our consultants
- Our contractors
- Our suppliers



◀ The North Guard House *Hin Lim*

◀ Warracknabeal Court House *Rebecca Selleck*

# ORGANISATIONAL STRUCTURE



## THE COMMITTEE OF MANAGEMENT

Committee of Management members are appointed for a three-year term by the Minister for Energy, Environment and Climate Change, the Hon Lily D'Ambrosio MP (the Minister) under the provisions of the Crown Land (Reserves) Act 1978.

### The Committee membership in 2023–24 was:

Kerry Anderson	Chair
Adam Magennis	
Borz Shahsavand	
Jeffrey Robinson	
Joan Ko	
Megan McDougall	
Phillip Davies	
Trudy Rickard	

## ORGANISATIONAL STRUCTURE

The Committee meets on six scheduled occasions each year while three subcommittees – Audit and Risk Management, Metropolitan Properties, and the Regional Properties Subcommittees – meet quarterly and report to the Committee of Management.

**Table 2: Committee Attendance: 1 July 2023 – 30 June 2024**

Committee Member	Eligible Meetings	Meetings Attended
Kerry Anderson	6	6
Adam Magennis	6	2
Borz Shahsavand	6	6
Jeffrey Robinson	4	4
Joan Ko	6	6
Megan McDougall	6	6
Phil Davies	6	4
Trudy Rickard	6	6

The Committee was supported by an Executive Officer, Ross Turnbull, who led the organisation up to May 2024. Graham O'Callaghan assumed the role of Acting EO until June 2024, when Sally Jones was appointed the new CEO in late June 2024.



▲ The Committee Members and Executive Officer on a site visit at the former Daylesford Court House lockup

## COMMITTEE OF MANAGEMENT AND EXECUTIVE OFFICER

**KERRY ANDERSON**  
2018 – JUNE 2024

**CHAIR, NOV 2021–JUN 2024**

With a background in small business and a strong advocate for entrepreneurs, Kerry Anderson has managed Startup Central Victoria across the Loddon Campaspe region since 2021 and previously worked with rural towns Australia-wide. She is the author of two books; *Entrepreneurship: It's Everybody's Business* (2016) and *Australian Rural Entrepreneurs* (2020) and frequently speaks at national and international conferences and events.

In 2018, Kerry was named as one of Australia's Top 50 Regional Agents-of-Change and awarded the Regional Innovation Ecosystem Leadership Award.

A graduate of the Australian Company Directors Course, she also serves as Chair of the Mt Alexander Community Enterprise and is a volunteer tour guide at Buda Historic Home & Garden in Castlemaine. Previously she was Deputy Chair of Castlemaine Health's Board of Management and Chair of the Finance Sub-committee.

Kerry was awarded a Medal of the Order of Australia (OAM) General Division for her services to business and community, on 26 January 2022.



**ADAM MAGENNIS**  
2018 – JUNE 2024

Adam's career includes 17 years working within the Victorian Heritage, Environmental and Communities sector in local and state government.

Prior to a career in the public service, Adam's first career was in the Victorian building sector as a qualified bricklayer and stone mason. He has worked as a mason in Ontario Canada, Michigan U.S.A., New South Wales, and South Australia.

He has a keen interest in historical brickwork, brick architecture and brick making.

Adam is a qualified archaeologist, Archaeology (Honours) 2014 La Trobe University and is undertaking a current PhD candidature in archaeology. Adam has also been a professional artist for over 25 years and is director of Kaptify.



**BORZ SHAHSAVAND**  
2018 – JUNE 2024

Borz is the Chief Executive Officer of Sustain Group, a leading sustainability focused asset management company building and managing commercial properties.

Having held senior executive positions within leading design, construction and facility management companies across Australia, he has made it his mission to leave a legacy of sustainable change in the property sector.

Borz's passion is to constantly improve on the total cost of ownership and facilitate a broader view of facility management practices that cover utilities and risk of operations.

Borz holds a Masters of Corporate Sustainability Management, undergraduate Aerospace and Mechanical engineering degrees from Monash University as well as postgraduate qualifications in contract law and project management.



**JEFF ROBINSON**  
NOV 2021 – DECEASED 7.04.2024

Working Heritage was fortunate to have Jeff on the Working Heritage Committee of Management in what has been an extraordinary life of service.

His expertise, but most of all his enthusiasm, humor and compassion will be missed. He has been an incredible role model. Our thoughts are with his family, friends and colleagues.





**JOAN KO**  
2018 – JUNE 2024

Joan has spent her career providing sustainability advice as a consultant to government and industry, with a focus on decarbonisation, resilience and circular economy for cities. She is Arup's Climate and Sustainability Leader in Australasia. Examples of Joan's work include advising policymakers on the role of infrastructure in resilient communities, helping organisations transition towards a circular economy, and identifying barriers and drivers for net-zero emissions precincts. She is also a member of the Sustainability Fund Committee for Victorian Government.

At Working Heritage, Joan chairs the Metropolitan Properties Subcommittee.



**MEGAN MCDOUGALL**  
NOV 2021 – JUNE 2024

Megan has a background in architecture and currently works as a heritage consultant in Melbourne. She has broad experience in heritage conservation in Victoria over about 35 years, mainly in the public sector, at both state and local government levels.

After some time in private practice, Megan worked for Heritage Victoria (HV) for over 20 years, assessing places for the Victorian Heritage Register, assessing permit and development applications, and managing several teams including the grants program team. She also worked for 6 years for the City of Greater Bendigo, working to ensure the City's many heritage assets were in good condition and well used.

Megan has been a member of ICOMOS since 1992 and is currently Co-convenor of the National Scientific Committee on Industrial Heritage. She is passionate about ensuring Victoria's heritage places are actively used and valued and is deeply interested in the practical side of conserving buildings.



**PHILLIP DAVIES**  
2014 – JUN 2024

Phillip has held and continues to hold a range of senior executive management roles in the private, legal, and public sectors in Australia.

Phillip is currently Chief Executive and National Ombudsman of a not-for-profit company – Tolling Customer Ombudsman Ltd. He has several key directorships including Box Hill Institute of TAFE, Kew East Financial Services Ltd and CBLA. He is also a member of the Board of Trustees at the Southern Metropolitan Cemeteries Trust and of a number of Commonwealth and State dispute, disciplinary and professional standards tribunals.

At Working Heritage, Phillip chairs the Audit and Risk Management Subcommittee.



**TRUDY RICKARD**  
NOV 2021 – JUNE 2024

The small firm of Trudy Rickard Architect was established around 2005. Based in Southwest Victoria, the firm undertakes a variety of commercial and residential architectural work, with an emphasis on heritage conservation projects. Trudy has been the Heritage advisor at Southern Grampians Shire Council since 2010 and was the heritage conservation architect for the City of Greater Bendigo in both the Statutory Planning and Property departments from 2015 to 2021.

The firm has carried out heritage work for numerous individuals and organisations including the National Trust Australia (Victoria), the councils of Moynes, Glenelg, and Warrnambool as well as for Parks Victoria and Worn Gundidj enterprises at Tower Hill. They seek to promote good conservation practice while incorporating sympathetic, modern architectural design that supports contemporary, sustainable use.

At Working Heritage, Trudy chairs the Regional Properties Subcommittee.



**ROSS TURNBULL**  
**EXECUTIVE OFFICER**

At the end of a highly regarded decade of service, our Executive Officer, Ross Turnbull moved on to a new chapter in his life in Tasmania. His last day of work at Working Heritage was 3 May 2024.

**GRAHAM O CALLAGHAN**  
**INTERIM EXECUTIVE OFFICER**

Having joined the Working Heritage team in 2021 in the role of Property Manager, Graham brings with him over 15 years of experience in various property related fields. Graham served as the interim EO from 4 May to 23 June 2024.

**SALLY JONES**  
**CHIEF EXECUTIVE OFFICER**

Sally joined the Working Heritage team in June 2024. She has a robust academic background that encompasses education, marketing, business, and law. With extensive experience and a proven track record in property management, strategic partnerships and community engagement, Sally offers a strategic, multidisciplinary perspective to her role.





▲ Lounge area at Warracknabeal Court House *Rebecca Selleck*



▲ The Mint Carpark *Hin Lim*

## GOVERNANCE

As a public entity, Working Heritage is committed to good governance and includes supportive actions in its Strategic Plan, namely:

- The Committee actively manages each of the pillars of good governance:
  - strategy and direction-setting;
  - effective relationships;
  - risk management; and
  - integrity.
- The Committee undertakes regular self-evaluation.
- The Committee undertakes training to improve its collective capability and individual members’ skills.

Working Heritage has adopted a continuous improvement approach to governance, reviewing its obligations and addressing gaps to enhance accountability through its internal audit program.



▲ Geelong Telegraph Station *Peter Glenane*

### SUBCOMMITTEES

Three subcommittees have been constituted to advise the Committee on areas of strategic and operational importance. The subcommittees are able to examine their particular specialised area of responsibility in depth and report back to the Committee with recommendations for action.

In 2023/24, the following subcommittees met quarterly:

- Audit and Risk Management Subcommittee
- Metro Properties Subcommittee
- Regional Properties Subcommittee

### AUDIT AND RISK MANAGEMENT SUBCOMMITTEE

The independent Audit and Risk Management Subcommittee (ARMS) operates to assist the Committee and management to fulfil governance and oversight responsibilities in:

- financial reporting;
- internal and external auditing;
- internal control systems and processes;
- risk management;
- information systems, and
- legislative and regulatory compliance.

The ARMS consists of three members, made up of two Committee of Management members and one external appointee. In 2023, ARMS membership was comprised of Phillip Davies (Chair), Jeffrey Robinson and Keith Kirkham (external). Committee Chair Kerry Anderson attended ex officio.

**Table 3: Audit and Risk Management Subcommittee (ARMS) attendance, 1 July 2023 – 30 June 2024**

Committee Member	Eligible Meetings	Meetings Attended
Phil Davies	4	4
Jeff Robinson	3	3
Keith Kirkham	4	4

### METROPOLITAN PROPERTIES SUBCOMMITTEE (MPS)

MPS operates as a subcommittee to assist Committee members and Working Heritage Management in fulfilling their governance responsibilities in the following areas, and with respect to the Reserves under management situated in metropolitan Melbourne:

- Application of Working Heritage’s Asset Management Strategy and by reference to the Victorian Government’s Asset Management Accountability Framework;
- Application of Working Heritage’s Leasing Policy and by reference, the DEECA (Dept of Energy, Environment and Climate Action) Leasing Policy for Victorian Crown Land 2010; and
- Application of Working Heritage’s Leasing Procedures and by reference the DEECA Crown Land Leasing Guidelines – Leasing Legislation 2012.

In 2023-24, membership of MPS comprised Joan Ko (Chair), Kerry Anderson and Megan McDougall.

### REGIONAL PROPERTIES SUBCOMMITTEE (RPS)

RPS operates as a subcommittee to assist Committee members and Working Heritage Management in fulfilling their governance responsibilities in the following areas, and with respect to the Reserves under management situated in regional Victoria (i.e., not in Metropolitan Melbourne):

- Application of Working Heritage’s Asset Management Strategy and by reference to the Victorian Government’s Asset Management Accountability Framework.
- Application of Working Heritage’s Leasing Policy and by reference, the DEECA Leasing Policy for Victorian Crown Land 2010; and
- Application of Working Heritage’s Leasing Procedures and by reference the DEECA Crown Land Leasing Guidelines – Leasing Legislation 2012.

In 2023-24, membership of RPS comprised Borz Shahsavand, Trudy Rickard and Adam Magennis. The chairperson duties were split between Borz and Trudy. Committee Chair Kerry Anderson attended ex officio.



▲ Daylesford Court House *Hin Lim*

## FINANCIAL STATEMENTS

HOW THIS REPORT IS STRUCTURED	19
Financial statements	19
Notes to the financial statements	19
DECLARATION IN THE FINANCIAL STATEMENTS	20
INDEPENDENT AUDITOR’S REPORT	21
COMPREHENSIVE OPERATING STATEMENT	23
BALANCE SHEET	24
CASH FLOW STATEMENT	25
STATEMENT OF CHANGES IN EQUITY	26
NOTES TO THE FINANCIAL STATEMENTS	27
1. About this report	27
2. Funding delivery of our services	28
3. The cost of delivering services	29
4. Key assets available to support service delivery	32
5. Other assets and liabilities	36
6. Financing our operations	38
7. Risks, contingencies and valuation judgements	41
8. Other disclosures	50

## HOW THIS REPORT IS STRUCTURED

The Working Heritage Inc (WH) has presented its audited general purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with the information about WH's stewardship of resources entrusted to it.

### FINANCIAL STATEMENTS

Comprehensive operating statement	23
Balance sheet	24
Cash flow statement	25
Statement of changes in equity	26

### NOTES TO THE FINANCIAL STATEMENTS

<b>Note 1: About this report</b>	<b>27</b>
The basis on which the financial statements have been prepared and compliance with reporting regulations.	
<b>Note 2: Funding delivery of our services</b>	<b>28</b>
Income and Revenue recognised from taxes, grants, sales of goods and services and other sources	
2.1 Expenses incurred in delivery of services	29
<b>Note 3: The cost of delivering services</b>	<b>29</b>
Operating expenses	
3.1 Expenses incurred in delivery of services	29
3.2 Other operating expenses	31
<b>Note 4: Key assets available to support service delivery</b>	<b>32</b>
4.1 Crown land	32
4.2 Property improvements, plant and equipment	33
<b>Note 5: Other assets and liabilities</b>	<b>36</b>
Working capital balances and other key assets and liabilities	
5.1 Receivables	36
5.2 Payables	36
<b>Note 6: Financing our operations</b>	<b>38</b>
Borrowings, cash flow information and commitments	
6.1 Borrowings	38
6.2 Leases	39
6.3 Cash flow information and balances	39
6.4 Commitments for expenditure	40
<b>Note 7: Risks, contingencies and valuation judgements</b>	<b>41</b>
Financial risk management, contingent assets and liabilities, and fair value determination	
7.1 Financial instruments specific disclosures	41
7.2 Contingent assets and contingent liabilities	46
7.3 Fair value determination	47
<b>Note 8: Other disclosures</b>	<b>50</b>
8.1 Reserves	50
8.2 Responsible persons	50
8.3 Remuneration of executives	51
8.4 Related parties	52
8.5 Remuneration of auditors	53
8.6 Subsequent events	53
8.7 Australian Accounting Standards issued that are not yet effective	54
8.8 Glossary of technical terms	55
8.9 Style conventions	58

## DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for the Working Heritage Inc (WH) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of WH at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 22 October 2024



**Antony Christianen**  
Chief Finance Officer

Melbourne  
22 October 2024



**Kerry Anderson**  
Chairperson

Melbourne  
22 October 2024



**Sally Jones**  
Chief Executive Officer

Melbourne  
22 October 2024



## INDEPENDENT AUDITOR’S REPORT



Level 6, 30 Collins Street,  
Melbourne Victoria 3000  
TELEPHONE +61 3 8899 6199  
FACSIMILE +61 3 9650 5751  
www.dfk.kidsons.com.au

### INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF WORKING HERITAGE INC.

#### Opinion

We have audited the financial report of Working Heritage Inc. (WH) which comprises the balance sheet as at 30 June 2024, the comprehensive operating statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements including material accounting policy information, and the declaration in the financial statements.

In our opinion, the accompanying financial report of WH is, in all material respects, in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994*, including:

- (a) giving a true and fair view of WH’s financial position as at 30 June 2024 and of its financial performance and its cash flows for the year then ended; and
- (b) complying with applicable Australian Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of WH in accordance with the auditor independence requirements of the *Audit Act 1994* 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Committee of Management for the Financial Report

The Committee of Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing WH’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 the Committee of Management either intend to liquidate WH or to cease operations, or have no realistic alternative but to do so.

The Committee of Management is responsible for overseeing WH’s financial reporting process.



Level 6, 30 Collins Street,  
Melbourne Victoria 3000  
TELEPHONE +61 3 8899 6199  
FACSIMILE +61 3 9650 5751  
www.dfk.kidsons.com.au

### Auditor's Responsibilities for the Audit of the Financial Report

Our objectives 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 our 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 and the *Audit Act 1994*, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 WH's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management 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 WH's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause WH 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.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*DFK Kidsons Partnership*

**DFK Kidsons Partnership**  
Chartered Accountants

Melbourne  
22 October 2024

*Michael L Port*

**Michael L Port**  
Partner

Liability limited by a scheme approved under Professional Standards Legislation  
A member firm of DFK International, a worldwide association of independent accounting firms and business advisers



## COMPREHENSIVE OPERATING STATEMENT <sup>a</sup>

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Notes	\$ 2024	\$ 2023
<b>Continuing operations</b>			
<b>Income from transactions</b>			
Income	2.1	2,569,480	3,469,385
<b>Total income from transactions</b>		<b>2,569,480</b>	<b>3,469,385</b>
<b>Expenses from transactions</b>			
Employee benefit expenses	3.1.1	(765,234)	(671,923)
Other operating expenses	3.2	(1,086,474)	(998,669)
Depreciation	4.2.1	(768,102)	(723,110)
Interest expense	6.1.1	(39,641)	(46,644)
<b>Total expenses from transactions</b>		<b>(2,659,451)</b>	<b>(2,440,346)</b>
<b>Net result from transactions (net operating balance)</b>		<b>(89,971)</b>	<b>1,029,039</b>
<b>Other economic flows – other comprehensive income:</b>			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	4.2.2	(3,832,909)	(3,112,001)
<b>Total other economic flows – other comprehensive income</b>		<b>(3,832,909)</b>	<b>(3,112,001)</b>
<b>Comprehensive result</b>		<b>(3,922,880)</b>	<b>(2,082,962)</b>

*The accompanying notes form part of these financial statements*

(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting

## BALANCE SHEET <sup>a</sup>

AS AT 30 JUNE 2024

	Notes	(\$) 2024	(\$) 2023
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits		422,745	1,756,059
Receivables	5.1	115,715	117,196
Prepayments		70,135	-
Investments and other financial assets	4.3	1,175,490	600,000
Security Deposits		-	2,329
<b>Total financial assets</b>		<b>1,784,085</b>	<b>2,475,584</b>
<b>Non-financial assets</b>			
Crown land	4.1	99,765,775	104,888,569
Property Improvements	4.2	30,274,470	28,637,482
Plant and Equipment	4.2	19,780	18,094
<b>Total non-financial assets</b>		<b>130,060,025</b>	<b>133,544,145</b>
<b>Total assets</b>		<b>131,844,110</b>	<b>136,019,729</b>
<b>Liabilities</b>			
Payables	5.2	257,317	170,396
Employee related provisions	3.1.2	63,423	70,459
Borrowings	6.1	1,680,358	2,012,978
<b>Total liabilities</b>		<b>2,001,098</b>	<b>2,253,833</b>
<b>Net assets</b>		<b>129,843,012</b>	<b>133,765,896</b>
<b>Equity</b>			
Accumulated surplus		92,681,422	92,771,397
Physical asset revaluation surplus	8.1	37,161,590	40,994,499
<b>Net worth</b>		<b>129,843,012</b>	<b>133,765,896</b>

*The accompanying notes form part of these financial statements*

(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting

## CASH FLOW STATEMENT <sup>a</sup>

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Notes	(\$) 2024	(\$) 2023
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts received		2,811,041	3,790,964
Interest received		33,452	2,806
<b>Total receipts</b>		<b>2,844,493</b>	<b>3,793,770</b>
<b>Payments</b>			
<b>Payments to suppliers and employees</b>		(2,004,313)	(1,808,104)
Goods and Services Tax paid to the ATO <sup>(b)</sup>		(108,852)	(196,665)
Interest and other costs of finance paid		(39,641)	(46,644)
<b>Total payments</b>		<b>(2,152,806)</b>	<b>(2,051,413)</b>
<b>Net cash flows from operating activities</b>	<b>6.3.1</b>	<b>691,687</b>	<b>1,742,357</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(1,116,891)	(456,491)
Payments for investments		(575,490)	(600,000)
<b>Net cash flows (used in) investing activities</b>		<b>(1,692,381)</b>	<b>(1,056,491)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings and principal portion of lease liabilities <sup>(c)</sup>		(332,620)	(325,617)
<b>Net cash flows (used in) financing activities</b>		<b>(332,620)</b>	<b>(325,617)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(1,333,314)</b>	<b>360,249</b>
Cash and cash equivalents beginning of financial year		1,756,059	1,395,810
<b>Cash and cash equivalents at end of financial year</b>	<b>6.3</b>	<b>422,745</b>	<b>1,756,059</b>

*The accompanying notes form part of these financial statements*

(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting

(b) Goods and Services Tax received from the Australian Taxation Office (ATO) is presented on a net basis.

(c) WH has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.

## STATEMENT OF CHANGES IN EQUITY <sup>a</sup>

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	(\$)	(\$)	(\$)
	Physical asset revaluation surplus	Accumulated surplus	Total
<b>Balance at 1 July 2022</b>	<b>44,106,500</b>	<b>91,742,354</b>	<b>135,848,854</b>
Net result for the year	–	1,029,039	1,029,039
Other comprehensive income for the year	(3,112,001)	–	(3,112,001)
<b>Balance at 30 June 2023</b>	<b>40,994,499</b>	<b>92,771,397</b>	<b>133,765,892</b>
<b>Balance at 1 July 2023</b>	40,994,499	92,771,397	133,765,892
Net result for the year	–	(89,971)	(89,971)
Other comprehensive income for the year	(3,832,909)	–	(3,832,909)
<b>Balance at 30 June 2024</b>	<b>37,161,590</b>	<b>92,681,426</b>	<b>129,843,012</b>

*The accompanying notes form part of these financial statements*

(a) This format is aligned to AASB 1049 Whole of Government and General Government Sector Financial Reporting

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ABOUT THIS REPORT

Working Heritage Inc (WH) is a Committee of Management and was constituted (as The Mint Inc) by Order in Council in March 1998 and gazetted on 5 March 1998 under the *Crown Land (Reserves) Act 1978*.

A description of the nature of its operations and its principal activities is included in the “**Report of Operations**” which does not form part of these financial statements.

The principal address is: Working Heritage Inc, 280 Williams Street, Melbourne Vic 3000

### BASIS OF PREPARATION

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

The accrual basis of accounting has been applied in 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.

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

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

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

These financial statements cover the WH as an individual reporting entity.

All amounts in the financial statements have been rounded to the nearest \$1 unless otherwise stated.

### COMPLIANCE INFORMATION

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

## 2. FUNDING DELIVERY OF OUR SERVICES

### Introduction

Working Heritage Inc (WH) conserves and manages heritage properties on public land on behalf of the State of Victoria. To enable WH to fulfil its objective, it receives income from property and car park operations.

#### *Significant judgement: Revenue*

WH applies the accounting standards AASB 15 and 1058 when recognising revenue and income. AASB 15 Revenue from Contracts with Customers, applied where specific performance obligations identified. Where these performance obligations are not met, revenue is not yet recognised and accounted for as a contractual liability. If no specific performance obligations exist in the contract or agreement, income is recognised immediately under AASB 1058 Income of Not for Profit Entities. WH has made the judgement that amounts received in relation to property and car park operations revenue should be recognised under AASB 1058 on the basis that specific performance obligations are deemed not to exist within agreements. This assessment is subjective in nature and requires WH to exercise judgment in the interpretation of applicable accounting standards.

### 2.1 SUMMARY OF INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

	(\$) 2024	(\$) 2023
Property income	1,575,298	1,422,457
Car park income	940,249	1,306,385
Other income	20,481	737,737
Interest	33,452	2,806
<b>Total</b>	<b>2,569,480</b>	<b>3,469,385</b>

Income is recognised to the extent it is probable the economic benefits will flow to WH and the income can be reliably measured. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes.

**Property income** - Revenue is received from leasing properties. Under the State Government's direction WH also provided its property tenants with rent relief in accordance with scheme of arrangement negotiated with the relevant tenant. WH has made the judgement that amounts received in relation to rental income should be recognised under AASB 1058 on the basis that specific performance obligations are deemed not to exist within rental agreements. This assessment is subjective in nature and requires WH to exercise judgment in the interpretation of applicable accounting standards.

**Car Park Income** - Revenue is received from operating a commercial car park. WH has made the judgement that amounts received in relation to rental income should be recognised under AASB 1058 on the basis that specific performance obligations are deemed not to exist within rental agreements. This assessment is subjective in nature and requires WH to exercise judgment in the interpretation of applicable accounting standards.

**Other income** - WH received a grant for \$8,000 from Major Transport Infrastructure Authority for the Westgate Tunnel for interpretative signage at Jack's Magazine and Victoria's Heritage Restoration Fund provided funding for wall restoration works at the Mint site in William Street. The balance of the revenue was for short term lease of WH facilities.

WH has determined that the other income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or linked to sufficiently specific performance obligations.

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



### 3. THE COST OF DELIVERING SERVICES

#### Introduction

This section provides an account of the expenses incurred by the Working Heritage (WH) in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

#### Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Other operating expenses

#### 3.1 EXPENSES INCURRED IN DELIVERY OF SERVICES

	Note	\$ 2024	\$ 2023
Employee benefit expenses	3.1.1	765,234	671,923
Other operating expenses	3.2	1,086,474	998,669
<b>Total expenses incurred in delivery of services</b>		<b>1,851,708</b>	<b>1,670,592</b>

#### 3.1.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT

	(\$) 2024	(\$) 2023
Salaries and wages, annual leave and long service leave	689,496	609,236
Defined contribution superannuation expense	75,738	62,687
<b>Total employee expenses</b>	<b>765,234</b>	<b>671,923</b>

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

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

### 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.

	(\$) 2024	(\$) 2023
<b>Current provisions:</b>		
<i>Annual leave</i>		
Unconditional and expected to settle within 12 months	37,384	26,688
<i>On-costs</i>		
Unconditional and expected to settle within 12 months	4,299	3,078
<b>Total current provisions for employee benefits</b>	<b>41,683</b>	<b>29,766</b>
<b>Non-current provisions:</b>		
Employee benefits	19,498	36,463
<i>On-costs</i>	2,242	4,230
<b>Total non-current provisions for employee benefits</b>	<b>21,740</b>	<b>40,693</b>
<b>Total provisions for employee benefits</b>	<b>63,423</b>	<b>70,459</b>
<b>Reconciliation of movement in on-cost provision</b>		(\$) 2024
<b>Opening balance</b>		<b>7,308</b>
Additional provisions recognised		(767)
<b>Closing balance</b>		<b>6,541</b>
Current		4,299
Non current		2,242

Wages and 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 WH 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 WH expects the liabilities to be wholly settled within the 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 WH does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating statement as it is taken.

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

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

### 3.1.3 SUPERANNUATION CONTRIBUTIONS

Employees of WH are entitled to receive superannuation benefits and WH contributes to defined contribution plans.

	(\$) Paid contribution for the year		(\$) Contribution outstanding at year end	
	2024	2023	2024	2023
<b>Defined contribution plans</b>				
VicSuper	-	275	-	210
Other	75,737	62,412	18,541	17,383
<b>Total</b>	<b>75,737</b>	<b>62,687</b>	<b>18,541</b>	<b>17,593</b>

### 3.2 OTHER OPERATING EXPENSES

	(\$) 2024	(\$) 2023
Property and administration improvement expenses	171,535	167,626
Property outgoings	434,844	295,346
Car park expenses	206,736	280,900
External finance and internal audit fees	117,896	111,138
Administration expenses	82,707	69,993
Committee expenses	47,915	48,104
Audit fees	15,430	18,340
Bank charges	9,411	7,222
<b>Total other operating expenses</b>	<b>1,086,474</b>	<b>998,669</b>

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

## 4. KEY ASSETS AVAILABLE TO SUPPORT SERVICE DELIVERY

### Introduction

WH controls land, property, plant and equipment and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to WH to be utilised for delivery of its objectives and activities.

#### *Significant judgement: Classification of Land, improvements and plant and equipment as “Key Assets”*

WH has made the judgement that investments are key assets utilised to support WH’s objectives and services.

#### *Fair value measurement*

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

### Structure

#### 4.1 Crown Land

#### 4.2 Property improvements and plant and equipment

#### 4.1 CROWN LAND

	(\$) 2024	(\$) 2023
Crown Land at fair value	99,765,775	104,888,569
<b>Total</b>	<b>99,765,775</b>	<b>104,888,569</b>
	(\$) 2024	(\$) 2023
Opening balance	104,888,569	109,989,590
Revaluation	(5,122,794)	(5,101,021)
<b>Closing balance</b>	<b>99,765,775</b>	<b>104,888,569</b>

WH Committee of Management (CoM) conserves and manages heritage properties on crown land on behalf of the State of Victoria. Since its inception in 1998, WH has been appointed to manage sixteen sites across Victoria, undertaking expert conservation and adaptation works so the community can benefit from these revitalised historic buildings and sites.

**Initial recognition:** Crown land is initially recognised at cost on transfer from DEECA, subsequently revalued at fair value.

**Subsequent measurement:** The market approach is used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. The CSO adjustment reflects the valuer’s assessment of the impact of restrictions associated with an asset to the extent that the CSO adjustment is also equally applicable to market participants. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets. The Fair value of non-financial assets are determined as per Note 7.3.

## 4.2 PROPERTY IMPROVEMENTS, PLANT AND EQUIPMENT

	Gross carrying amount		Accumulated depreciation		(\$)	(\$)
					Net carrying amount	
	2024	2023	2024	2023	2024	2023
Property Improvements at fair value	31,038,764	29,356,220	(764,294)	(718,738)	30,274,470	28,637,482
Plant and equipment at fair value	72,052	69,682	(52,272)	(51,588)	19,780	18,094
<b>Net carrying amount</b>	<b>31,110,816</b>	<b>29,425,902</b>	<b>(816,566)</b>	<b>(770,326)</b>	<b>30,294,250</b>	<b>28,655,576</b>

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

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

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

**Improvement:** Heritage assets and infrastructure are valued using the depreciated replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

#### Impairment of property, plant and equipment

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

Note 7.3 includes additional information in connection with fair value determination of land, improvements and plant and equipment.

#### 4.2.1 DEPRECIATION AND AMORTISATION

##### Charge for the period

	(\$)	(\$)
	2024	2023
Plant and equipment and fit out	3,808	4,372
Improvements	764,294	718,738
<b>Total depreciation</b>	<b>768,102</b>	<b>723,110</b>

All furniture, equipment and fit out that have finite useful lives are depreciated.

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life years
Plant and equipment	3 to 10
Property Improvements	30 to 100

#### 4.2.2 RECONCILIATION OF MOVEMENTS IN CARRYING VALUES OF NON CURRENT ASSETS <sup>(a)</sup>

	(\$)		
	Land at fair value	Improvements at fair value	Plant and equipment and fit out at fair value
<b>2024</b>			
<b>Opening balance</b>	104,888,569	28,637,482	18,094
Revaluations	(5,122,794)	1,289,885	–
Additions	–	1,111,396	5,494
Depreciation	–	(764,294)	(3,808)
<b>Closing balance</b>	<b>99,765,775</b>	<b>30,274,469</b>	<b>19,780</b>

Notes:

(a) Fair value assessments have been performed for this asset class and the assessment indicated movements would be changed based on indexations where appropriate for a full revaluation.

	(\$)		
	Land at fair value	Improvements at fair value	Plant and equipment and fit out at fair value
<b>2023</b>			
<b>Opening balance</b>	109,989,590	26,910,710	22,466
Revaluations <sup>(b)</sup>	(5,101,021)	1,989,019	–
Additions	–	456,491	–
Depreciation	–	(718,738)	(4,372)
<b>Closing balance</b>	<b>104,888,569</b>	<b>28,637,482</b>	<b>18,094</b>

Notes:

(a) Fair value assessments have been performed for this asset class and the assessment indicated movements would be changed based on indexations where appropriate for a full revaluation.

## 4.3 INVESTMENTS AND OTHER FINANCIAL ASSETS

	(\$) 2024	(\$) 2023
Term deposits: <sup>(a)</sup>		
Australian dollar term deposits > three months	1,175,490	600,000
<b>Total investments and other financial assets</b>	<b>1,175,490</b>	<b>600,000</b>

## Notes:

(a) Term deposits under 'investments and other financial assets' class include only term deposits with maturity greater than 90 days.

## 5. OTHER ASSETS AND LIABILITIES

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

### Structure

5.1 Receivables

5.2 Payables

#### 5.1 RECEIVABLES

	(\$) 2024	(\$) 2023
<b>Contractual</b>		
Sale of goods and services	59,739	79,104
<b>Statutory</b>		
GST input tax credit recoverable	55,976	38,092
<b>Total receivables</b>	<b>115,715</b>	<b>117,196</b>
Represented by:		
<b>Current receivables</b>	<b>115,715</b>	<b>117,196</b>

**Contractual 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. WH 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. WH applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Details about WH's impairment policies, WH's exposure to credit risk, and the calculation of the loss allowance are set out in note 7.1.2.

#### 5.2 PAYABLES

	(\$) 2024	(\$) 2023
<b>Contractual</b>		
<b>Supplies and services</b>	<b>159,713</b>	<b>55,254</b>
<b>Employee benefits</b>	<b>30,873</b>	<b>32,266</b>
Securities held	10,585	10,585
<b>Statutory</b>		
GST payable	56,146	72,291
<b>Total payables</b>	<b>257,317</b>	<b>170,396</b>
Represented by:		
<b>Current payables</b>	<b>246,732</b>	<b>160,396</b>
<b>Non-Current payables</b>	<b>10,585</b>	<b>10,000</b>



**Payables consist of:**

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

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

In the determination of fair value, consideration is given to factors including the overall capital management/prudential supervision framework in operation, the protection provided by the State Government by way of funding should the probability of default increase, probability of default by the guaranteed party and the likely loss to WH in the event of default.

**Maturity analysis of contractual payables** <sup>(a)</sup>

	(\$)					
	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 5 years
<b>2024</b>						
Supplies and services	159,713	159,713	149,283	10,430	-	-
<b>Total</b>	<b>159,713</b>	<b>159,713</b>	<b>149,283</b>	<b>10,430</b>	-	-
<b>2023</b>						
Supplies and services	55,254	55,254	40,414	14,840	-	-
<b>Total</b>	<b>55,254</b>	<b>55,254</b>	<b>40,414</b>	<b>14,840</b>	-	-

## Notes

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

## 6. FINANCING OUR OPERATIONS

### Introduction

This section provides information on the sources of finance utilised by WH during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of WH.

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

### Structure

#### 6.1 Borrowings

#### 6.2 Leases

#### 6.3 Cash flow information and balances

#### 6.4 Commitments for expenditure

### 6.1 BORROWINGS

	(\$) 2024	(\$) 2023
<b>Current borrowings</b>		
Loans from Treasury Corporation Victoria	339,774	332,620
<b>Total current borrowings</b>	<b>339,774</b>	<b>332,620</b>
<b>Non-current borrowings</b>		
Loans from Treasury Corporation Victoria	1,340,584	1,680,358
<b>Total non-current borrowings</b>	<b>1,340,584</b>	<b>1,680,358</b>
<b>Total borrowings</b>	<b>1,680,358</b>	<b>2,012,978</b>

'Borrowings' refer to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost unless WH elects to irrevocably designate them at fair value through profit or loss at initial recognition. The election depends on the nature and purpose of the interest-bearing liabilities

All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

**Defaults and breaches:** During the current and prior year, there were no defaults and breaches of any of the loans.

### Maturity analysis of borrowings

	(\$)						
	Carrying amount	Nominal amount	Maturity dates				5+ years
			Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	
2024							
Loans from TCV	1,680,358	1,680,358	28,039	56,228	255,508	1,340,584	-
<b>Total</b>	<b>1,680,358</b>	<b>1,680,358</b>	<b>28,039</b>	<b>56,228</b>	<b>255,508</b>	<b>1,340,584</b>	<b>-</b>
2023							
Loans from TCV	2,012,978	2,012,978	27,449	55,044	250,127	1,403,580	276,778
<b>Total</b>	<b>2,012,978</b>	<b>2,012,978</b>	<b>27,449</b>	<b>55,044</b>	<b>250,127</b>	<b>1,403,580</b>	<b>276,778</b>

### 6.1.1 INTEREST EXPENSE

	(\$) 2024	(\$) 2023
Interest on loans from TCV	39,641	46,644
<b>Total interest expense</b>	<b>39,641</b>	<b>46,644</b>

'Interest expense' includes costs incurred in connection with the long-term borrowings and is recognised in the period in which it is incurred.

### 6.2 LEASES

At 30 June 2024, WH was not committed to any leases.

### 6.3 CASH FLOW INFORMATION AND BALANCES

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

For cash flow statement presentation purposes, cash and cash equivalents are indicated below.

	(\$) 2024	(\$) 2023
Total cash and deposits disclosed in the balance sheet	422,745	1,756,059
<b>Balance as per cash flow statement</b>	<b>422,745</b>	<b>1,756,059</b>

### 6.3.1 RECONCILIATION OF NET RESULT FOR THE PERIOD TO CASH FLOW FROM OPERATING ACTIVITIES

	(\$) 2024	(\$) 2023
<b>Net result for the period</b>	<b>(89,971)</b>	<b>1,029,039</b>
Non cash movements:		
Depreciation	768,102	723,110
<b>Movements in assets and liabilities:</b>		
(Increase)/decrease in receivables	(66,325)	24,095
Increase/(decrease) in payables	88,310	(72,465)
Increase/(decrease) in provisions	(7,036)	22,336
Decrease/(Increase) in contract liabilities	(1,393)	16,242
<b>Net cash flows from/(used in) operating activities</b>	<b>691,687</b>	<b>1,742,357</b>

#### 6.4 COMMITMENTS FOR EXPENDITURE

Commitments for future expenditure include operating and capital commitments arising from contracts. Any commitments are recorded in 6.4.1 if applicable 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.

##### 6.4.1 TOTAL COMMITMENTS PAYABLE

WH had no commitments payable as at 30 June 2024 (30 June 2023 Nil)

## 7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

### Introduction

WH 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 high level of judgement to be applied, which for WH 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

### 7.1 FINANCIAL INSTRUMENTS SPECIFIC DISCLOSURES

#### Introduction

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

Guarantees issued on behalf of WH are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

#### Categories of financial assets

##### *Financial assets at amortised cost*

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

- the assets are held by WH to collect the contractual cash
- 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.

WH recognises the following assets in this category:

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

#### Categories of financial assets

##### *Financial assets at amortised cost*

Loans and receivables and cash are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets and liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method (and for assets, less any impairment). WH recognises the following assets in this category:

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

Held to maturity financial assets: If WH has the positive intent and ability to hold nominated investments to maturity, then such financial assets may be classified as held to maturity. These are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held to maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

### Categories of financial liabilities

#### *Financial liabilities at amortised cost*

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. WH recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings.

#### 7.1.1 FINANCIAL INSTRUMENTS: CATEGORISATION

	(\$)			
2024	Cash and deposits	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
<b>Contractual financial assets</b>				
Cash and deposits	422,745	–	–	422,745
Investments and other financial assets	1,175,490	–	–	1,175,490
Receivables <sup>(a)</sup>	–	59,739	–	59,739
<b>Total contractual financial assets</b>	<b>1,598,235</b>	<b>59,739</b>	–	<b>1,657,974</b>
<b>Contractual financial liabilities</b>				
<b>Payables<sup>(a)</sup></b>				
Supplies and services	–	–	159,713	159,713
Employee benefits	–	–	30,873	30,873
<b>Borrowings</b>				
Loans from TCV	–	–	1,680,358	1,680,358
<b>Total contractual financial liabilities</b>	<b>–</b>	<b>–</b>	<b>1,870,944</b>	<b>1,870,944</b>

Notes:

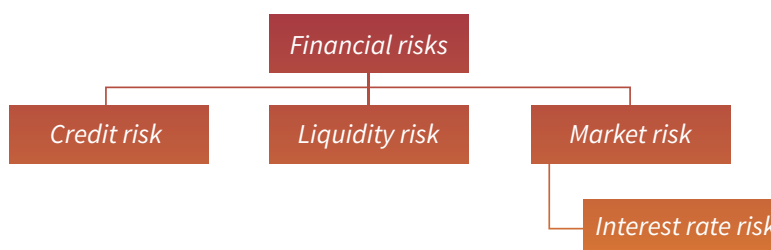
(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable and taxes payable).

	(\$)			
2023	Cash and deposits	Financial assets at amortised cost (AC)	Financial liabilities at amortised cost (AC)	Total
<b>Contractual financial assets</b>				
Cash and deposits	1,756,059	–	–	1,756,059
Investments and other financial assets	600,000	–	–	600,000
Receivables <sup>(a)</sup>	–	79,104	–	79,104
<b>Total contractual financial assets</b>	<b>2,105,581</b>	<b>79,104</b>	<b>–</b>	<b>2,435,163</b>
<b>Contractual financial liabilities</b>				
<b>Payables<sup>(a)</sup></b>				
Supplies and services	–	–	55,254	55,254
Employee benefits	–	–	32,266	32,266
<b>Borrowings</b>				
Loans from TCV	–	–	2,012,977	2,012,977
<b>Total contractual financial liabilities</b>	<b>–</b>	<b>–</b>	<b>2,100,497</b>	<b>2,100,497</b>

Notes:

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

### 7.1.2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES



As a whole, WH'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 WH's financial risks within the government policy parameters.

WH's main financial risks include credit risk, liquidity risk and market risk. WH manages these financial risks in accordance with its financial risk management policy.

WH 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 of WH.

### Financial instruments: Credit risk

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

Credit risk associated with WH's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is the WH's policy to only deal with entities with high credit ratings of a minimum triple-B rating and to obtain sufficient collateral or credit enhancements, where appropriate.

In addition, WH does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, the WH's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that WH will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

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

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

Credit quality of contractual financial assets that are neither past due nor impaired (a)

	(\$)			
	Financial institutions	Government agencies	Other	Total
<b>2024</b>				
Cash and deposits	422,745	–	–	422,745
Investments and other financial assets	1,175,490	–	–	1,175,490
Receivables <sup>(a)</sup>	–	4,125	55,614	59,739
<b>Total contractual financial assets</b>	<b>1,598,235</b>	<b>4,125</b>	<b>55,614</b>	<b>1,657,974</b>
<b>2023</b>				
Cash and deposits	1,756,059	–	–	1,756,059
Investments and other financial assets	600,000	–	–	600,000
Receivables <sup>(a)</sup>	–	–	79,104	79,104
<b>Total contractual financial assets</b>	<b>2,356,059</b>	<b>–</b>	<b>79,104</b>	<b>2,435,163</b>

Notes:

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

### Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. WH operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.



WH is exposed to liquidity risk mainly through the financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees. WH manages its liquidity risk by:

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets.

WH's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available for sale financial investments.

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

#### Financial instruments: Market risk

WH's exposures to market risk are primarily through interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed below.

#### Sensitivity disclosure analysis and assumptions

WH's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding years, with all variables other than the primary risk variable held constant.

The following movements are 'reasonably possible' over the next 12 months. A movement of 50 basis points up and down (50 basis points up and down) in market interest rates (AUD) and the tables that follow show the impact on WH's net result and equity for each category of financial instrument held by WH at the end of the reporting period, if the above movements were to occur.

#### Interest rate risk

##### Interest rate exposure of financial instruments

		(\$)			
	Weighted average interest rate %	Carrying amount	Fixed interest rate	Variable interest rate	Non interest bearing
<b>2024</b>					
<b>Financial assets</b>					
Cash and deposits	2.1%	422,745	-	422,745	-
Investments and other financial assets	5%	1,175,490	1,175,490		
<b>Receivables</b>					
Sale of goods and services	-	59,739	-	-	59,739
<b>Total financial assets</b>		<b>1,657,974</b>	<b>1,175,490</b>	<b>422,745</b>	<b>59,739</b>
<b>Financial liabilities</b>					
<b>Payables<sup>(a)</sup></b>					
Supplies and services	-	159,713	-	-	159,713
<b>Total financial liabilities</b>		<b>159,713</b>	<b>-</b>	<b>-</b>	<b>159,713</b>

Notes:

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

	(\$)				
	Weighted average interest rate %	Carrying amount	Fixed interest rate	Variable interest rate	Non interest bearing
<b>2023</b>					
<b>Financial assets</b>					
Cash and deposits	2.1%	1,756,059	250,478	1,505,581	-
Investments and other financial assets		600,000	600,000		
<b>Receivables</b>					
Sale of goods and services	-	79,104	-	-	79,104
<b>Total financial assets</b>		<b>2,435,163</b>	<b>850,478</b>	<b>1,505,581</b>	<b>79,104</b>
<b>Financial liabilities</b>					
<b>Payables<sup>(a)</sup></b>					
Supplies and services	-	55,254	-	-	55,254
<b>Total financial liabilities</b>		<b>55,254</b>	<b>-</b>	<b>-</b>	<b>55,254</b>

Notes:

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

**Interest rate risk sensitivity**

	Carrying amount	50 basis points Net result	+ 50 basis points Net result
<b>2024</b>			
<b>Contractual financial assets</b>			
Cash and deposits <sup>(a)</sup>	1,598,235	(7,991)	7,991
<b>Total impact</b>	<b>1,598,235</b>	<b>(7,991)</b>	<b>7,991</b>
<b>2023</b>			
<b>Contractual financial assets</b>			
Cash and deposits <sup>(a)</sup>	1,756,059	(8,780)	8,780
<b>Total impact</b>		<b>(8,780)</b>	<b>8,780</b>

Notes:

(a) Cash and deposits are exposed to floating rates movements. Sensitivities to these movements are calculated at movements of 0.5% up or down.

**7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES****Contingent assets**

WH has no contingent assets (2023: \$Nil)

**Contingent liabilities**

WH has no contingent liabilities (2023 \$Nil)

### 7.3 FAIR VALUE DETERMINATION

#### ***Significant judgement: Fair value measurements of assets and liabilities***

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

This section sets out information on how the WH determined fair value for financial reporting purposes. Fair value is the price that would be

received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through operating result.
- land, improvements, plant and equipment

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

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

#### **Fair value hierarchy**

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

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

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

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

#### **How this section is structured**

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

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

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

**Significant judgement: Fair value measurements of assets and liabilities**

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

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

The following assets and liabilities are carried at fair value:

- Financial assets and liabilities at fair value through operating result; and
- Plant and equipment.

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

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

**7.3.1 FAIR VALUE DETERMINATION OF FINANCIAL ASSETS AND LIABILITIES**

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

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

WH currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are an approximate of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2023–24 reporting period or loan agreement period.

These financial instruments include:

<b>FINANCIAL ASSETS</b>			
<b>Cash and deposits</b>		<b>Payables:</b>	
<b>Receivables:</b>		• For supplies and services	
• Sale of goods and services		• Other payables	
• Other		<b>Borrowings</b>	
<b>Investments and other contractual financial</b>		• Loans from TCV	
• Term deposits			

**Fair value of financial instruments measured at amortised cost**

	(\$)			
	Carrying amount 2024	Fair value 2024	Carrying amount 2023	Fair value 2023
<b>Financial liabilities</b>				
Borrowings	1,680,358	1,680,358	2,012,977	2,012,977
Loans from TCV	1,680,358	1,680,358	2,012,977	2,012,977

## 7.3.2 FAIR VALUE DETERMINATION: NON-FINANCIAL PHYSICAL ASSETS

## Fair value measurement hierarchy

	(\$)			
	Carrying amount as at 30 June 2024	Fair value measurement at end of reporting period using:		
		Level 1	Level 2 <sup>(i)</sup>	Level 3
<b>2024</b>				
Furniture, equipment and fit-out	19,780	-	19,780	-
Crown Land	99,765,775	-	99,765,775	-
Improvements	30,274,470	-	30,274,470	-
<b>Total of non-financial assets at fair value</b>	<b>130,060,025</b>	-	<b>130,060,025</b>	-

Notes:

(i) Classified in accordance with the fair value hierarchy see note 7.3.1

	(\$)			
	Carrying amount as at 30 June 2023	Fair value measurement at end of reporting period using:		
		Level 1	Level 2 <sup>(i)</sup>	Level 3
<b>2023</b>				
Furniture, equipment and fit-out	18,094	-	18,094	-
Crown Land	104,888,569	-	104,888,569	-
Improvements	28,637,482	-	28,637,482	-
<b>Total of non-financial assets at fair value</b>	<b>133,544,145</b>	-	<b>133,544,145</b>	-

Notes:

(i) Classified in accordance with the fair value hierarchy see note 7.3.1

**Crown Land and Improvements:** The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

These assets are classified as level 2 under the market approach.

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

## 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 Reserves
- 8.2 Responsible persons
- 8.3 Remuneration of accountable officer
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Subsequent events
- 8.7 Australian Accounting Standards issued that are not yet effective
- 8.8 Glossary of technical terms
- 8.9 Style conventions

### 8.1 RESERVES

	(\$) 2024	(\$) 2023
Physical asset revaluation surplus <sup>(a)</sup>		
<b>Balance at beginning of financial year</b>	<b>40,994,499</b>	<b>44,106,500</b>
Revaluation increments/(decrements)	(3,832,909)	(3,112,001)
<b>Balance at end of financial year</b>	<b>37,161,590</b>	<b>40,994,499</b>
<b>Net changes in reserves</b>	<b>(3,832,909)</b>	<b>(3,112,001)</b>

Notes:

(a) The physical assets revaluation surplus arises on the revaluation of land and improvements.

### 8.2 RESPONSIBLE PERSONS

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

#### Names

The persons who held the positions of Ministers and Responsible Officers in WH are as follows:

Minister for Early Childhood and Pre-Prep and Minister for Environment	The Hon Ingrid Stitt MP	(1 July 2023 to 1 October 2023)
Minister for Tourism, Sport and Major Events, Minister for Environment, Minister for Outdoor Recreation	The Hon Steve Dimopoulos MP	(2 October 2023 to 30 June 2024)
Executive Officer	Ross Turnbull	(1 July 2023 to 3 May 2024)
Acting Executive Officer	Graham O'Callaghan	(4 May 2024 to 23 June 2024)
Chief Executive Officer	Sally Jones	(24 June 2024 to 30 June 2024)

#### Remuneration

The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

Remuneration received or receivable by the Accountable Officer in connection with the management of WH during the reporting period was in the range: \$190,000–\$199,999 (2023: \$170,000–\$179,999).

The persons who held the positions of Responsible Officers in WH are as follows:

Name	Position	Period
Ms Kerry Anderson	Committee Chairperson	(1 July 2023 to 30 June 2024)
Ms Joan Ko	Committee member	(1 July 2023 to 30 June 2024)
Mr Phillip Davies	Committee member	(1 July 2023 to 30 June 2024)
Mr Borz Shavsavand	Committee member	(1 July 2023 to 30 June 2024)
Mr Adam Magennis	Committee member	(1 July 2023 to 30 June 2024)
Ms Trudy Rickard	Committee member	(1 July 2023 to 30 June 2024)
Mr Jeffrey Robinson	Committee member	(1 July 2023 to 30 June 2024)
Ms Megan McDougall	Committee member	(1 July 2023 to 30 June 2024)

Band Range	Total number	
	2024	2023
\$0–\$9,999	7	7
\$10,000–\$19,999	1	1
<b>Total</b>	<b>8</b>	<b>8</b>
<b>Total remuneration</b>	<b>41,059</b>	<b>40,701</b>

### 8.3 REMUNERATION OF EXECUTIVES

The executive officer is the accountable officer and the remuneration of the accountable officer including superannuation is shown as the total annualised employee equivalents and provides a measure of full time equivalent accountable officers over the reporting period.

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

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

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

	(\$)	(\$)
	Total	
	2024	2023
<b>Remuneration</b>		
Short-term employee benefits	182,765	155,107
Post-employment benefits	16,863	15,726
<b>Total remuneration <sup>(a)</sup></b>	<b>199,628</b>	<b>170,833</b>
<b>Total number of executives</b>	<b>1</b>	<b>1</b>
<b>Total annualised employee equivalents <sup>(b)</sup></b>	<b>1</b>	<b>1</b>

Notes:

(a) The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (Note 8.4).

(b) Annualised employee equivalent is based on the time fraction worked over the reporting period.

#### 8.4 RELATED PARTIES

WH is a wholly owned and controlled entity of the State of Victoria. Related parties of WH include:

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

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

#### Significant transactions with government-related entities

WH received funding from:

	(\$)	(\$)
	Total	
	2024	2023
DPV Health Ltd	67,847	60,132
Geelong Performing Arts Centre Trust	48,602	42,005
Yarriambiak Shire Council	10,027	-
Major Transport Infrastructure Authority	8,800	-
Victoria's Heritage Restoration Fund	8,000	25,000
Department of Transport and Planning	4,125	-
Department of Energy, Environment Climate Action	-	595,360
Court Services Victoria	-	181,782
Department of Jobs, Skills, Industry and Regions	-	100,000
Magistrates Court Victoria	-	2,727
<b>Total</b>	<b>147,401</b>	<b>1,007,006</b>

WH paid funding to:

	(\$)	(\$)
	Total	
	2024	2023
State Revenue Office	199,895	296,695
City of Melbourne	72,566	61,768
Yarra Valley Water	11,484	11,823
Victorian Government Solicitors Office	10,305	12,749
<b>Total</b>	<b>294,250</b>	<b>383,035</b>

#### Remuneration of Key management personnel

Key management personnel of WH include the Portfolio Minister, Committee members and the Executive Officer. 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 1967* and is reported within the State's Annual Financial Report.



Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories. Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services. Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased. Other long-term benefits include long service leave, other long service benefits or deferred compensation.

	(\$) 2024	(\$) 2023
Short-term benefits	219,755	191,977
Post-employment benefits	20,932	19,558
<b>Total (a)</b>	<b>240,687</b>	<b>211,535</b>

Notes:

(a) Note that KMPs are also reported in the disclosure of remuneration of accountable officer (Note 8.3).

#### Transactions with key management personnel and other related parties

Given the breadth and depth of state government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public, e.g. stamp duty and other government fees and charges.

Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with WH and related party transactions previously disclosed, there were no related party transactions that were attributed to key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

#### 8.5 REMUNERATION OF AUDITORS

	(\$) 2024	(\$) 2023
Audit or review of the financial statements	15,430	18,340
<b>Total remuneration of auditors</b>	<b>15,430</b>	<b>18,340</b>

#### 8.6 SUBSEQUENT EVENTS

WH considers that there has been no other matters or circumstances have arisen subsequent to 30 June 2024, that would require adjustment of, or disclosure in, the financial statements.

### 8.7 AUSTRALIAN ACCOUNTING STANDARDS ISSUED THAT ARE NOT YET EFFECTIVE

Certain new and revised accounting standards have been issued but are not effective for the 2023–24 reporting period. These accounting standards have not been applied to these Financial Statements.

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

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

Among other things, the Standard:

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

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

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

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

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

AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

WH is in the process of analysing the impacts of these standard proposed amendments. However, it is not anticipated to have a material impact.

## 8.8 GLOSSARY OF TECHNICAL TERMS

### **Borrowings**

Borrowings refers to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements. Borrowings also include non-interest bearing advances from government that are acquired for policy purposes

### **Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

### **Comprehensive result**

The amount included in the operating statement representing total change in net worth other than transactions with owners as owners

### **Depreciation**

Depreciation is an expense that arises from the consumption through wear or time of a produced physical asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

### **Effective interest method**

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over

### **Ex gratia expenses**

Ex gratia expenses are the voluntary payment of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

### **Financial asset**

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right or statutory right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity;
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

**Financial instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial liability**

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
  - to deliver cash or another financial asset to another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
  - a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
  - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed

For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

**Financial statements**

A complete set of financial statements comprises:

- (a) a balance sheet as at the end of the period;
- (b) a comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) a cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of *AASB 101 Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of *AASB 101*.

**Grants and other transfers**

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits in the form of goods or services to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

**Interest expense**

Represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of lease repayments, service concession financial liabilities and amortisation of discounts or premiums in relation to borrowings.

**Interest income**

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

**Leases**

Rights to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of infrastructure, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

**Net result**

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those classified as ‘other non-owner movements in equity’.

**Net result from transactions or net operating balance**

Net operating balance or net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

**Net worth**

Assets less liabilities, which is an economic measure of wealth.

**Non-financial assets**

Non-financial assets are all assets that are not ‘financial assets’. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

**Operating result**

Is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as ‘other non-owner movements in equity’. Refer also ‘net result’.

**Other economic flows – other comprehensive income**

Other economic flows – other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

**Payables**

Includes short and long-term trade debt and accounts payable, grants, taxes and interest payable.

**Receivables**

Includes amounts owing from government through appropriation receivable, short and long term credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

**Supplies and services**

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs incurred in the normal operations of WH.

**Transactions**

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

## 8.9 STYLE CONVENTIONS

### Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding.

The notation used in the tables is as follows:

- .. zero, or rounded to zero
- (xxx.x) negative numbers
- 200x year period
- 200x-0x year period

The financial statements and notes are presented based on the illustration for a government department in the *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of WH's annual reports.



# Working Heritage

South Guard House  
Former Royal Mint  
280 William Street  
Melbourne Victoria 3000