

ANNUAL REPORT

2020-21



SHRINE OF REMEMBRANCE
MELBOURNE

TABLE OF CONTENTS

CHAIR'S REPORT	2
THE SHRINE OF REMEMBRANCE ACT 1978	3
VISION, MISSION & VALUES	4
CHIEF EXECUTIVE OFFICER'S REPORT	5
2020-21 REVIEW OF OPERATIONS	6
OUTLOOK FOR 2021-22	10
ORGANISATIONAL STRUCTURE & RESPONSIBILITIES	11
THE SHRINE COMMUNITY	12
GOVERNANCE	15
FINANCIAL REPORT 2020-21	17
DISCLOSURE INDEX	59
APPENDIX	61
KEY SUPPORTERS	65

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CHAIR'S REPORT

The Hon Shaun Leane MP
Minister for Veterans
Level 16, 121 Exhibition Street
MELBOURNE VIC 3000

Dear Minister

As recently appointed Chair of the Shrine of Remembrance Trustees it is my pleasure to submit the Shrine of Remembrance's 2020–2021 Annual Report.

I am delighted to have been appointed to the role of Chair and am humbled by the privilege granted me in leading the Shrine in pursuit of its enduring purpose to honour the service and sacrifice of Victorians and Australians in war, conflict, peacemaking and peacekeeping.

Through discussions with my fellow trustees and observations made since my appointment, it is clear that the Shrine has been well stewarded by the board and is prepared to meet and overcome the current challenges presented by the changed visitor market conditions.

The flexibility and creativity demonstrated by the Shrine's staff, Life Governors, Governors and volunteers in responding to the coronavirus (COVID-19) pandemic has been nothing short of outstanding. Therefore, I am confident that we possess the passion and capability to be bold as we direct the Shrine and its programming to meet the needs of the Victorian Veteran community. With your support, we intend to advance the Shrine's standing in the consciousness of contemporary veterans, Victorians and Australians for the benefit of future generations.

I am encouraged in this by the positive engagement you have demonstrated in supporting the Shrine through achieving funding for restoration works to the heritage listed monument stairs and light towers. And with an eye to our future, in facilitating resources to allow construction of an accessible ramp and major security infrastructure upgrades to serve our needs and protect our community. I look forward to working in partnership with you and the whole of Victorian Government in the coming years.



As I reflect on my role and the service and commitment of preceding Chairs of the Shrine of Remembrance, I wish to acknowledge and express my appreciation to outgoing Chairman Air Vice-Marshal Chris Spence AO (Retd). His safe hands and sound leadership have put me in a strong position to continue our work.

Captain Stephen Bowater OAM RAN
Chair of the Shrine of Remembrance Trustees

THE SHRINE OF REMEMBRANCE ACT 1978

The *Shrine of Remembrance Act 1978* establishes the Shrine of Remembrance Trustees with the responsibility for the care, management, maintenance and preservation of the Shrine and its Reserve on behalf of the people of Victoria.

The Minister for Veterans is the Minister responsible for the *Shrine of Remembrance Act 1978* (the Act).

The Act provides guidance to Trustees on their duties and overarching functions. The Act was amended in September 2011 to include the following core functions in the powers and duties of Trustees:

- (a) responsibility for the care, management, maintenance and preservation of the Shrine of Remembrance—
 - (i) as a memorial to honour the service and sacrifice of Victorians and Australians in war, conflict, peacekeeping and peacemaking; and
 - (ii) as a site of national, State and cultural significance; and
- (b) the development, promotion, management and the staging of ceremonial activities and events to commemorate the service and sacrifice of Victorians and Australians in war, conflict, peacekeeping and peacemaking, including, but not limited to, wreath laying and other ceremonial or commemorative activities; and
- (c) the development, promotion, management and implementation of public programs to inform, educate and promote understanding among Victorians and visitors about the history, experience, service and sacrifice of Victorians and Australians in war, conflict, peacekeeping and peacemaking, including, but not limited to, exhibitions, lectures, publications, school learning and outreach programs.

Ten Trustees are appointed by the Governor in Council on the recommendation of the Minister. The Trustees act as a body corporate whose powers and duties are outlined in Section 4 of the Act, which states:

- (1) The trustees—
 - (a) shall be responsible for the care, management, maintenance and improvement of the reserved land;
 - (b) may to the exclusion of all other bodies or persons—
 - (i) provide and sell; and
 - (ii) authorise the manufacture, printing, publishing, display and sale of replicas, photographs, booklets, pamphlets and other like matter relating to the said monument;
 - (c) may receive moneys by way of—
 - (i) collections or donations;
 - (ii) proceeds of sales by the trustees of such replicas, photographs, booklets, pamphlets and other like matter; or
 - (iii) fees for authorities granted by the trustees for the manufacture, printing, publishing, display and sale of such replicas, photographs, booklets, pamphlets and other like matter—for the funds of the trustees;
 - (ca) in relation to the undercroft land—
 - (i) may charge fees for entry into the undercroft land, including concessional fees; and
 - (ii) may determine the mechanisms for charging concessional fees; and
 - (iii) may exempt in a specified case or class of case any person or class of persons from payment of fees;
 - (d) have and shall be deemed always to have had power to pay out of the funds of the trustees such gratuities or retiring allowances as they think fit to such persons as they think fit being persons who are or have been employed by them for the purposes of carrying into effect the provisions of this Act.

THE SHRINE OF REMEMBRANCE ACT 1978

CONT'D

(1A) Without limiting any power, duty or function under this Act, the trustees may carry out the powers, duties and functions of the trustees under this section—

- (a) within the Shrine of Remembrance; and
- (b) elsewhere on the reserved land; and
- (c) in places in Victoria other than at the Shrine of Remembrance or on the reserved land.

(2) Any funds of the trustees provided pursuant to the provisions of this Act or any Act hereafter enacted shall be available only for the purposes of carrying into effect the provisions of this Act.

(3) Any moneys received by the trustees whether from the Treasurer of Victoria or the Melbourne City Council or as the result of public subscriptions or otherwise shall be paid into the funds of the trustees and shall be applied for the purpose of carrying into effect the provisions of this Act.



VISION, MISSION & VALUES

VISION

That all Victorians remember, value and commemorate service and sacrifice.

MISSION

To engage all Victorians in commemoration through reflection, ceremony, education and learning.

VALUES

The Shrine will adhere to and be known for the values of integrity, loyalty, service, respect and inclusion.

CHIEF EXECUTIVE OFFICER'S REPORT

The unique challenges emerging in the final quarter of the prior year dominated in 2020–21. The Shrine and its peer civic institutions closed repeatedly, sustaining less than four months continuous trading in the year. Public caution, international border closures and the threat of domestic lockdowns obliterated patronage in the intervening opening periods and uncertainty overlaid all planning.

The world changed, and we were caused to change with it. Laudable in this context was the sustained resilience, flexibility, commitment and creativity of the Shrine team. Their collective performance was remarkable and—despite the challenges—enabled strong performance in pursuit of the Shrine's purpose and strategic objectives.

Our nascent digital production efforts developed rapidly, becoming the primary engagement channel for all ceremonial, education and public programming. Collectively, these digital initiatives reached a state, national and global audience of almost 650,000 people: underpinning total engagement at 97 per cent of our annual target of 750,000. This would not have been achieved without direct financial support from the Victorian Government that allowed us to install production facilities and live streaming infrastructure in the Sanctuary of the monument and on the Second World War Memorial Forecourt.

This success aside, reduced on-site visitation severely impacted all self-funding activities. With no financial relief available to offset these shortfalls we faced significant challenges in maintaining programming and retaining staff. Pleasingly we were successful in these efforts. The Shrine reports a small surplus for the year before depreciation and amortisation, the result of prudent management and strong performance of our investments.

In the absence of on-site staff for much of the year, I must record our great appreciation for the support provided by Victoria Police and members of the Protective Services Unit and Shrine Guard. Their sustained efforts in supporting our commemorative services, maintaining the security of the Shrine and ensuring its protection in the face of multiple anti-lockdown protest groups were exemplary. We are extremely grateful for their support.



I also wish to acknowledge with thanks the nearly \$500,000 of financial and in-kind support provided by the City of Melbourne. This helped sustain the Shrine's financial, administrative and human resource functions throughout the year and ensured the Shrine Reserve was maintained to the highest standard: offering a place of quiet reflection and respite to our community.

The Shrine Trustees extended significant faith and goodwill to the executive team throughout the year as we responded to the dynamic operating environment. I thank them for their support and especially wish to recognise the active and sage guidance provided to me by Shrine Chairman, Air Vice-Marshal Chris Spence AO (Retd). Chris retired in February 2021 following nine-years' commendable service to the Shrine, including realisation of the Centenary of ANZAC, Galleries of Remembrance project.

As we enter the new year, we accept a new normal in which the market and operating environment will remain dynamic. While continuing to face financial hurdles arising from increasing costs and repressed trading conditions, we are well prepared to perform in this environment and look forward to applying the learnings of the past year—building upon successes and opening our minds to new opportunities under the leadership of recently appointed Shrine Chair, Captain Stephen Bowater OAM RAN.

Sincerely

Dean M Lee
Chief Executive Officer



2020-21 REVIEW OF OPERATIONS

The year 2021–21 presented challenges unprecedented in the Shrine's history. In these unique circumstances, the Shrine's trustees, Life Governors, Governors staff and volunteers were called upon to identify and enact novel solutions in the continued pursuit of the Shrine's purpose and strategic objectives. That we were largely successful is testament to the commitment, resilience and creativity of all involved.

Responding to Victorian Government COVIDSafe requirements, the Shrine re-opened in November 2020 operating under varying coronavirus (COVID-19) pandemic restrictions since. Mitigating measures implemented include capacity management, contact tracing, physical distancing and enhanced hygiene protocols. Compliance with restrictions has shaped the development and delivery of all aspects of visitor engagement including general visitation and the ceremonial program.

The following review of operations is to be considered in this context of service delivery to a community confronted and constrained by the necessarily mandated responses to the coronavirus (COVID-19) pandemic.

CORPORATE SERVICES

The Corporate Services team comprising information communication technology (ICT), finance, HR, facility maintenance, corporate governance and compliance works closely with the Visitor Experience and Public Programs teams and various external parties to safeguard and maintain the Shrine and ensure that administration and operations are managed efficiently. Significant project and improvement works completed in the year follow.

Governance and Compliance

- internal audits of Business Continuity Framework and Asset Management Accountability Framework
- implementation of Social Procurement Strategy
- accomplishment of Victorian Data Protection Security Standards
- site security review
- town planning in relation to local development projects and signage

Maintenance

- upgrade to the Ray of Light in the Sanctuary
- continued changeover of lighting to LED technology, to reduce energy costs and support of low vision visitors
- staged replacement of HVAC Environmental plant
- Sanctuary Control & Public Address Refurbishment Project
- Visitor Centre Digital Donor Board
- CCTV Upgrade Project (Stage 2)
- Service Level Agreement for ICT-IT Support
- Relocation of Fire Hydrant Booster to St Kilda Road
- Trustee Honour Board updates

Systems

- update to customer relationship management system
- design of new payroll system in conjunction with City of Melbourne
- selection, implementation and design of new retail and accounting systems
- Digital Information Audit, including consolidation of multimedia assets, marketing digital collateral and newly created digital production content
- further development of live stream webcasting infrastructure, extending coverage to the Sanctuary

2020–21 REVIEW OF OPERATIONS CONT'D

COVID-19 response

- ICT Upgrades in support of remote digital engagement, including deployment of laptops to executive and management team, boardroom video conferencing, desktop upgrades to support remote meetings and education program delivery.

PUBLIC PROGRAMS

Shrine Collection

The Shrine continues to collect selectively for display. This year, a diverse range of items was brought into the collection.

- A substantial donation of 112 wartime propaganda posters spanning the First World War through to recent peacekeeping missions gifted by the Australian War Memorial.
- A reconstructed Beaufort Bomber gun turret was installed in the Galleries. The project undertaken by the Australian Aviation Heritage Centre.
- A unique hand drawn trench map of Courtney's Post, Gallipoli, sketched by Captain Stewart Hansen MC and dated 6 May 1915. Lieutenant Colonel Richard Courtney, commander of the 14th Battalion, is believed to have carried the map with him throughout the war and returned it to Hansen's parents on his return.
- We also received a selection of works on paper by renowned artist Dean Bowen as part of the cultural gifts program.

Shrine Exhibitions

The following special exhibitions provided in-depth exploration and alternative perspectives in support of the Shrine's broader programming. All our current special exhibitions have enjoyed an extended run due to the closures in 2020.

- *Through the Eyes of the Son: A John Williams Retrospective*—This exhibition showcases the work of photographer John Williams as he reflected on the impact of the First World War on Australian culture and society. It includes some of his most iconic images from his Anzac Day series, his War Portraits series, and a selection of works never exhibited in his lifetime.
- *Dean Bowen's Imagining Centaur*—Celebrated contemporary artist Dean Bowen explores the tragic story of the sinking of the Australian Hospital Ship Centaur on 14 May 1943. The exhibition features a specially commissioned animation of Bowen's charcoal drawings of the Centaur tragedy by Japanese visual artist Ayumi Sasaki. This digital work enabled audiences to get a taste of the exhibition online before visiting in person.

- *Between Two Worlds*—Immerses visitors in the visual world of three contemporary artists who explore their experience as modern-era veterans. Using painting, sculpture and street art, each artist interrogates notions of identity, dislocation and resilience. Art has not only become therapy for these recent veterans, but also a powerful voice to communicate with the wider community.
- *Changed Forever: Legacies of Conflict*—This touring exhibition presents incredible stories of human endurance and poignant personal narratives of loss and reconciliation. Stories of conflict and resettlement encompass the experiences of veterans and migrants who came to Australia seeking safety and peace.

The exhibition spent 2020 in storage. In 2021 it has enjoyed strongly successful runs at Walker St Gallery, Dandenong; The Cube, Frankston; and Central Goldfields Art Gallery, Maryborough. There is strong interest in the exhibition, and we have bookings throughout regional Victoria into mid 2023. As part of our move to digital engagement many of the stories are now also available on the Shrine website.

Student Education

The Shrine's student education programs are aligned with the national curriculum and engage students onsite in learning about commemoration, wartime history and the shaping of the Australian nation.

Education programming in 2020–21 diversified nimbly in the face of changing conditions. Virtual tours and workshops were successfully delivered to over 5,000 students in 2020. In 2021 we welcomed students onsite in reduced numbers to ensure safe operations. Over 16,000 students made an onsite visit in 2021.

Thanks to the generosity of the Portland House Foundation, excursions for 100 students and 10 community groups were funded allowing them to attend the Shrine's touring exhibition.

School Holiday Activities for Families

The focus on family activities this year has been the Shrine Kids activity cards. These provide families a series of activities to help them engage in an age-appropriate way. A successful social media campaign promoting the cards combined with a TV campaign saw an increase in families visiting us over the January and April holidays. We plan to return to guided tour and drop-in activities in upcoming holiday periods.

2020–21 REVIEW OF OPERATIONS CONT'D

Public Learning Program

The Shrine maintained its commitment to provide community education of the highest standard. Public presentations and special events engaged members of the community in Melbourne and in regional Victoria through talks, workshops and lectures—primarily delivered through digital channels. A sustainable wreathmaking workshop marked the resumption of onsite public presentations. Attendees to lectures onsite were joined by audiences online via live stream, increasing audience engagement by 1,900 per cent.

Digital Production

Digital programming was a major focus in 2020–21, the fluid restriction levels necessitating an innovative approach to content creation and delivery. During the Stage 4 lockdown, Second World War veterans were interviewed as part of the Victorian Government funded 'World War II at Home' project and curator's talks on the *Imagining Centaur* exhibition and Beaufort aircraft manufacturing in Victoria were all live streamed and made available on digital platforms. A new 'Places of Remembrance' video series profiling the 321 memorials and memorial trees across the Shrine Reserve has also proved popular.

In November 2020, the *Remembrance* magazine launched as a digital-only magazine. Readership of our first digital issue has reached an audience greater than 1,500 people, exceeding the readership of the previous physical copy by at least 1,000 readers.

Volunteers

The Shrine volunteer program was suspended for much of 2020–21. Volunteers began returning to the Shrine in March 2021 to resume their normal activities: engaging visitors onsite, providing support to deliver the education and ceremonial programs and delivering talks to community groups—both onsite and offsite. Safety concerns caused some volunteers to delay their return. We maintain contact via newsletters and video conferencing.

The Shrine Young Ambassadors

The Shrine Young Ambassador program provides an opportunity for 10 students in years 9/10 to participate in programs and commemorative events at the Shrine and to develop leadership skills. We acknowledge their contributions in FY2021. Due to the extended closures

in 2020, we invited the 2020 Young Ambassadors to serve another 12-month term. All but one were able to extend, and we welcomed one new Young Ambassador for 2021.

VISITOR ENGAGEMENT

Visitation

Coronavirus (COVID-19) pandemic restrictions and associated international border closures and uncertainty in the domestic tourism sector have collectively caused visitation to collapse by more than 500,000 people. This has had material impact on our self-funding activities. Despite this, marked success in delivering digital programming has allowed us to engage more than 730,000 people in our commemorative purpose.

Ceremonial Program

Providing for the commemorative needs of veterans and the community is one of the Shrine's primary functions. More than 359,000 people—including veterans, students and members of the public in Victoria, elsewhere in Australia and overseas attended or watched a live stream of the 144 commemorative services delivered at the Shrine or online during the year.

Live streaming of all commemorative services ensured that we maintained our relationships with Victoria's commemorative community. The Shrine has since become adept at delivering hybrid physical/virtual commemorative programming and, with support of the Victorian State Government, installed permanent live streaming infrastructure to stream our commemorative program to the world.

Last Post Service

The Last Post Service was suspended during our closure periods and recommenced in December 2020. The service continues to achieve its aims with both veteran participants and attendees reporting positive engagement and feedback. Participation at the weekly Service has been strong with up to 200 people joining us on the Second World War Memorial Forecourt at 4.45pm on Sundays.

The Last Post Service is proving to be an integral pillar to the implementation of the Shrine's Program Strategy with events commemorated scheduled to connect with special exhibitions and other programming.

2020–21 REVIEW OF OPERATIONS CONT'D

Anzac Day

This year, both the Dawn Service and Veterans' March were conducted as COVIDSafe events under the Public Events Framework administered by DHHS and DJPR.

The Anzac Day Dawn Service was a limited capacity event with contact tracing requirements requiring ticketed attendance for a maximum of 1,400 people. This and the associated control measures drew criticism from some sectors of the community and media.

Her Excellency, the Honourable Linda Dessau AC, Governor of Victoria, was joined by the Official Party in the Sanctuary as she placed a single wreath at the Stone of Remembrance in a solemn service. The service was broadcast to an audience exceeding 55,000 on ABC television and live streamed via the Shrine's social channels and co-hosted by several other organisations resulting in total engagement exceeding 100,000 views.

Remembrance Day

In an unbroken tradition of honouring service and sacrifice on 11 November, the Victorian State Remembrance Day Service for 2020 was delivered as a hybrid virtual and physical event under Stage 3 COVID restrictions. A suite of programming leading up to Remembrance Day resulted in strong engagement and more than 44,500 views of the live-streamed service and Ray of Light broadcast.

Legacy's Annual ANZAC Commemoration Ceremony for Students

Ordinarily a major feature in the Shrine's ceremonial calendar, this solemn day of reflection for Victorian students was cancelled due to the pandemic.

Victorian Aboriginal Remembrance Service

Each year, as part of National Reconciliation Week, services are held across Australia to commemorate the service of Indigenous Australians in the Australian Defence Force. The Victorian Aboriginal Remembrance Service 2021, scheduled for 31 May 2021, was postponed due to COVID restrictions.

Friends of the Shrine Program

Active promotion in the year allowed Friends membership sales to exceed targets. The Friends program directly engages members through Friends socials, public programs, special exhibition launch invitations and priority seating at major services. Friends also receive complimentary editions of the Shrine magazine *Remembrance*.

Retail and Tour Groups

Repeated closures have resulted in a dramatic reduction in visitation and significant changes to our visitor profile. With suppressed visitation and ongoing border closures both our retail and tour licensing revenue fell short of targets.

A revised Shrine Tour format introduced this year has proven successful. The increase in frequency, updated content and reduction in tour price and duration resulted in increased uptake.

MARKETING

Major campaigns throughout the year included Remembrance Day, Anzac Day and the weekly Last Post Service. A television commercial campaign on Network Seven—supported by regional press and multicultural radio—resulted in an immediate uplift in summer visitation.

Digital engagement remained a key focus of marketing activity, with total engagement of 645,980—an 80% increase on the previous year. Support from Federation Square, Vicinity Shopping Centres, City of Melbourne and Herald Sun allowed us to extend the reach of our major campaigns through their delivery of our digital content.

The new Shrine website provided enhanced utility, allowing rapid response to changing conditions and a platform to host a multitude of rich content, notably live stream broadcasts of the Shrine's commemorative services. We saw strong growth in social media audiences and engagement with an increased focus on community management and targeted advertising.

An external public relations agency was engaged to maximise positive profile opportunities. Highlights included a front-page story in the *Saturday Age Spectrum* lift out, multiple radio interviews and a feature on Channel Nine News.

A refreshed visual identity in the coming year will position the Shrine as a relevant and welcoming place for all, create utility within the brand across various applications, and enhance recognition.

FUNDRAISING

The Shrine Foundation attracted significant support through a range of fundraising activities: securing grants, attracting donations and gaining support from philanthropists personally committed to commemoration.

OUTLOOK FOR 2021–22



The ongoing response to the coronavirus (COVID-19) pandemic will continue to dominate political, social and economic activity in 2021–22.

The Shrine's budget and business plan reflect the past year's experience operating in COVID-constrained market and operating conditions. They anticipate continuing demand side disruption with international borders remaining closed and domestic travel inhibited by concerns relating to snap lockdowns and border closures.

Management has judiciously considered how the Shrine may fulfil its responsibilities (as established in the Act and in the Minister's Statement of Government Priorities) and manage costs in a visitor revenue constrained environment while delivering public programs aligned with the objectives of the Shrine's 2019–24 Strategic Plan.

Total engagement has been critically reviewed relative to performance in 2020–2021. With on-site visitation estimated to reach just 261,000 (down more than 500,000 on 2018–2019 levels) leveraging experience gained in the past year to extend Digital Engagement will be essential in pursuit of our annual engagement target of 750,000.

Recurring restrictions on operations are almost certain and will greatly limit our capacity to generate revenue and reduce our capacity to engage Victorians and visitors in commemoration. The benefits of the past year's experience

aided through investments by the Victorian Government in streaming infrastructure and our new website will further enable these initiatives.

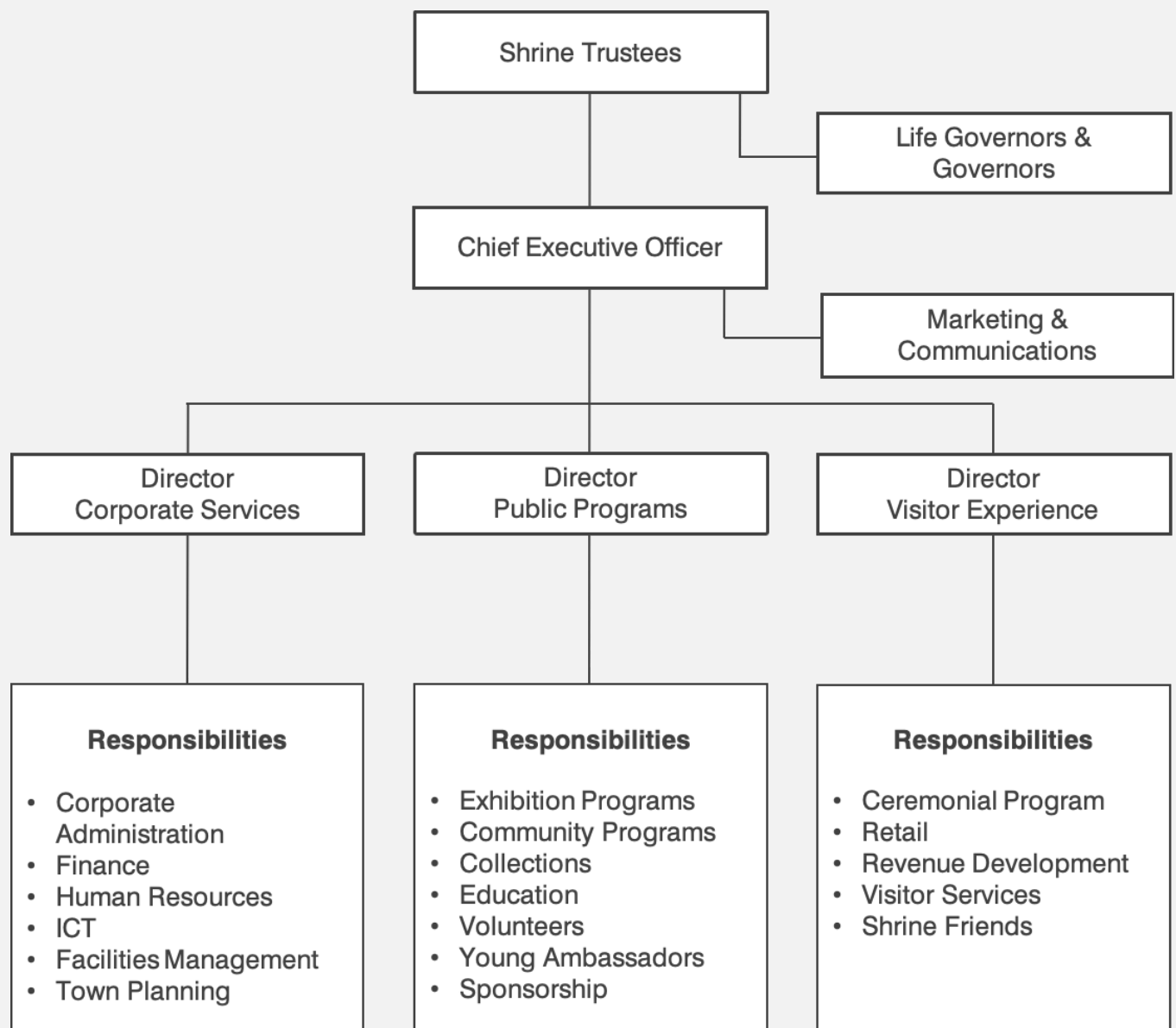
Major new projects enabled by funding from the Victorian Government are planned in the year including:

- restoration of the eastern and southern monument stairs
- restoration of the four heritage-listed, external light towers
- construction of an accessible ramp between the Shrine's lower and upper forecourts
- design and approvals for security infrastructure to mitigate general and Hostile Vehicle Attack risks

Significant services will include:

- Weekly Last Post Services each Sunday
- Victory in the Pacific Day—15 August 2021
- Vietnam Veterans' Day—18 August 2021
- Battle for Australia Day—1 September 2021
- Remembrance Day—11 November 2021
- Melbourne Legacy's 91st Annual ANZAC Commemoration Ceremony for Students—April 2022
- Anzac Day—25 April 2022
- Annual Victorian Aboriginal Remembrance Service—31 May 2022

ORGANISATIONAL STRUCTURE & RESPONSIBILITIES





THE SHRINE COMMUNITY

The Shrine of Remembrance community, guided by 10 trustees, is comprised of Life Governors, Governors, staff, volunteers and Shrine Guards.

TRUSTEES

Air Vice-Marshal Chris Spence AO (Retd)

Chris was appointed Chairperson of the Trustees in January 2012 reappointed in 2017 for a further four-year period. Chris's term expired in February 2021.

Captain Stephen Bowater OAM RAN

Stephen was appointed Chairperson of Trustees in February 2021 for a period of four years.

Colonel John Wertheimer AM RFD

John was appointed Trustee in April 2000, reappointed in 2002, 2005, 2007, 2010, and 2012. In 2016 John was appointed Deputy Chairperson. John's term expired in August 2020.

Colonel Catherine (Bunny) Carrigan

Bunny was appointed Trustee in March 2020 for a period of four years. In May 2021 Bunny was appointed Deputy Chairperson of Trustees.

The Right Honourable the Lord Mayor Sally Capp

Sally became a Trustee in September 2018, coinciding with her election as Lord Mayor of the City of Melbourne.

Dr Robert Webster OAM

Robert was appointed a Trustee in November 2017 for a period of four years.

Graeme Plumridge OAM

Graeme became the Legacy representative in March 2019 for a period of four years.

Sue Blake GAICD

Sue was appointed Trustee in January 2012 and reappointed in 2016. In March 2020 she was reappointed for a further four year period.

Tracey Curro

Tracey was appointed Trustee in March 2016 and reappointed in 2020 for a period of four years.

Roger C F Clifton JP

Roger was appointed Trustee in September 2018 for a period of four years.

Nikki Deighton

Nikki was appointed Trustee in April 2019 for a period of four years.

Talieh Williams

Talieh was appointed Trustee in April 2021 for a period of four years.

LIFE GOVERNORS & GOVERNORS

Life Governors and Governors are appointed under Section 4 of the *Shrine of Remembrance Act 1978*. They assist the Trustees with the conduct of ceremonial activities at the Shrine and other duties as requested by the Trustees.

Life Governors

- Colonel George Mackenzie OBE RFD
- Lieutenant Colonel David Ford CVO AM GM
- Lieutenant Colonel Adrian Lombardo
- Mr Peter Whitelaw

Governors

- Lieutenant Colonel Don J Reid RAA (retired October 2020)
- Colonel John Coulson OAM RFD ED
- Major Maggie More OAM RFD
- Group Captain Annette Holian
- Commander Terry Makings AM RAN
- Squadron Leader Steve Campbell-Wright
- Lieutenant Commander Janette Gallagher
- Colonel Jason Cooke

THE SHRINE COMMUNITY

CHIEF EXECUTIVE OFFICER & EXECUTIVE TEAM

The role of the Chief Executive Officer and executive team is to implement strategy and direct, and hold responsibility for, the day-to-day activities of the Shrine.

Chief Executive Officer

Dean Lee was appointed Chief Executive Officer in July 2015. He provides policy and strategic support and advice to the Trustees and overall leadership to the executive team and staff.

Director Public Programs

Sue Burgess was appointed to the position of Director of Public Programs in October 2019 and holds responsibility for gallery development, exhibition programs, collections, and the Shrine's education and volunteer programs.

Director Corporate Services

Greg Gilmour is the Director Corporate Services and holds responsibility for administration, finance, operations, and facilities functions. Greg was appointed to this role in September 2019.

Director Visitor Experience

Naias Mingo is the Director Visitor Experience and holds responsibility for the Shrine's visitor services, ceremonial functions and the Shrine's self-funding activities. Naias was appointed in June 2019.

VOLUNTEERS

The Shrine Volunteer program operated for approximately four months of the reporting period and overall attendance was pared back to ensure the safety of our volunteers. Volunteers engage visitors onsite, provide support to the education program delivery, the ceremonial program and they deliver talks to community groups both onsite and offsite. During the closure period in 2020–21 volunteers have remained engaged through regular newsletters, training and weekly video conferencing.

During 2020–21 volunteers provided more than 2,600 hours of service.

THE SHRINE GUARD

The Victoria Police Shrine Guard is provided by the Department of Justice and Regulation. They provide a 24-hour security presence at the Shrine and play an integral role in ceremonial activities.

SHRINE STAFF (AT 30 JUNE 2021)

Carolyn Argent, Education Officer
Margaret Brown, Tour Guide
Sue Burgess, Director Public Programs
Dale Capron, Ceremonial Program Manager
Laura Carroll, Education & Volunteer Manager
Melissah Crumpton, Business Support Officer
Sue Curwood, Marketing Manager
Chloe De Luca, Education Officer
Rebecca Dixon, Duty Manager
Monica Galbraith, Marketing Officer
Michael Ganey, Visitor Services Officer
Leigh Gilburt, Production Coordinator
Greg Gilmour, Director Corporate Services
Peter Harris, Facilities Manager
Dominic Healy, Tour Guide
Spencer Hurley, Visitor Services Officer
Anthony Langley, Human Resources Adviser
Dean Lee, Chief Executive Officer
Soo Mei Leong, Finance Officer
Peter Luby, Visitor Services Officer
Voula Marinis, Executive Assistant
Toby Miller, Collections Coordinator
Naias Mingo, Director Visitor Services
Katrina Nicolson, Research & Outreach Officer
Tessa Occhino, Exhibition Research Officer
Janelle Oudshoorn, Visitor Services Manager
Nina Perry, Visitor Services Officer
Glen Putland, Visitor Services Officer
Chelsea Rowlings, Retail Officer
Karl Sarsfield, Tour Guide
Neil Sharkey, Curator
Kate Spinks, Curator & Collections Manager
Adrian Threlfall, Education & Training Officer
Melanie Warburton, Business Support Officer
Sue Wicks, Visitor Services Officer
Chris Wright, Facilities Coordinator

THE SHRINE COMMUNITY

SHRINE VOLUNTEERS (AT 30 JUNE 2021)

Shrine Trustees acknowledge with thanks the dedication of its valued volunteers:

James Affleck
Darcie Apostolou
Betty Appleton
Barry Aumann
Ann Baker
Rodney Bayley
Fred Boland
Daryl Bolton
Ralph Boyne
Paul Brennan
Bruce Brown
Catherine Brown
Maureen Bugden
John Cahir
Barbara Carpenter
Bill Cherry
Caroline Clark
Lorraine Connell
Bill Cornford
Eleni Courvisanos
Cate Cox
Ken Crook
Pauline D'Astoli
Jacqui Dekker
Tyrese Dimalanta
Anna Dockendorff
Ian Douglas
Noel Ellis
Garry Fabian
Andrew Fankhauser
Wendy Farthing
Mac Ford
George Galanopoulos
Peter Geddes
Drew Gordon
Angus Graham
Allan Grant
Rachel Grover
Vanessa Ham

Gerry Hare
Levi Henderson Gillespie
Christine Hill
John Hills
Robert Hoskin
Alec Huze
Frans Jindo
Ian Jones
Anne Josefsberg
Steven Kyritsis
Liam Lander
Kerry Larkan
Rayden Lee
Fred Lehmann
Sue Liddell
Judy Llewellyn
Gloria Low
Marita Madden
Dianne Manning
Paul Maple
Ros Martin
Anne Mathers
Mark Mayne
Andrew Meldrum
Graeme Miller
Robyn Miller
David Mitchell
John Moxey
Sue Mullett
Elena Murphy
Angus Murray
Eleanor Naylor
Erin Nisbet
Jon Peart
Victor Pilch
Daryl Pinner
Janelle Raines
Anne Ramsay
Helen Robinson

Gary Serpell
Ian Simpkin
Brian Smith
Aarushi Sodhi
Stephen Stockdale
Kevan Thomas
Peter Taylor
Kerrie Walker
Mary Ward
Philip Whitehouse
Malcolm Wiltshire
Brian Worcester

VALE

It was with much sadness that we marked the passing of volunteers Alan Stebbing and Jo Green.



GOVERNANCE

Trustee Meetings

During 2020–21, the Shrine of Remembrance Trustees held six ordinary meetings.

Committee Structure

Three committees support the corporate governance framework that provides informed recommendations to the Board of Trustees.

The Committees are supported by the Chief Executive Officer and Director Corporate Services with other members of the executive team aiding as required. Committees may also co-opt external parties with relevant expertise to participate as required.

Audit and Risk Management Committee

The purpose of the Audit and Risk Management Committee (ARMC) is to assist the Board by providing assurance about the integrity of the financial processes, systems and reporting of the Shrine. It does this by considering financial and related reports from management and internal and external auditors and establishing and reviewing compliance with a risk management framework.

Standing Directions under the *Financial Management Act* 1994, also require the ARMC to oversee and advise the Board on matters of accountability and internal control affecting operations.

The ARMC comprises independent members who meet the criteria for independence within the Financial Management Compliance Framework guidelines.

The Committee met on seven occasions in 2020–21.

Committee Members throughout the period included:

- Sue Blake (Trustee and Committee Chair)
- Robert Webster (Trustee)
- Catherine (Bunny) Carrigan (Trustee)
- Michael Lawriwsky (Independent Member)

Ceremonial Committee

The purpose of the Ceremonial Committee is to make recommendations and provide advice to the Board on ceremonial matters and related policies. The Committee met on two occasions in 2020–21.

Committee Members throughout the period included:

- Graeme Plumridge (Trustee and Committee Chair)
- John Coulson (Shrine Governor)
- Maggie More (Shrine Governor)
- Terry Makings (Shrine Governor)

Remuneration Committee

The purpose of the Remuneration Committee is to determine Chief Executive Officer (CEO) remuneration and validate the individual remuneration packages set by the CEO for executives. The Committee is also responsible for establishing succession and career development plans for the CEO and monitoring the succession and career development plans set by the CEO for executives. The Committee met on one occasion during 2020–2021.

Committee Members during the reporting period were:

- Chris Spence (Committee Chair) (Chairman of Trustees)
- Robert Webster (Trustee)
- Sue Blake (Trustee)

Occupational Health & Safety Committee

The Shrine's Occupational Health and Safety Committee meets four times each year and includes nominated and trained Health and Safety Representatives from Designated Working Groups of the staff, volunteer, and Victoria Police (Shrine Guard) representatives. Issues covered include WorkSafe matters, OHS incidents and matters of general workplace health and safety.

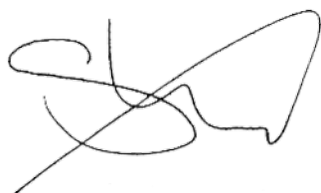
During the 2020–21 reporting period, the Shrine's OHS Committee met four times. Additional to its standing responsibilities, in 2020–21 the committee also considered and made recommendations related to development and implementation of the Shrine's COVID Safe Plan/s.

Pleasingly, no lost time injuries occurred in 2021–21.

FINANCIAL MANAGEMENT ATTESTATION

SHRINE OF REMEMBRANCE TRUSTEES FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I Stephen Bowater, on behalf of the Shrine of Remembrance Trustees, certify that the Shrine of Remembrance Trustees has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.



Captain Stephen Bowater OAM RAN
Chair

Melbourne
17 September 2021

SHRINE OF REMEMBRANCE TRUSTEES

FINANCIAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

How this report is structured

The Shrine of Remembrance Trustees have pleasure in presenting its audited general-purpose financial statements for the financial year ended 30 June 2021 in the following structure to provide users with the information about the Trustees' stewardship of resources entrusted to them.

	Page
Financial Statements	
Comprehensive operating statement	22
Balance sheet	23
Cash flow statement	24
Statement of changes in equity	25
Notes to the financial statements	
Note 1. About this report	26
Note 2. Funding delivery of our services	28
Note 3. The cost of delivering services	31
Note 4. Key assets available to support output delivery	34
Note 5. Other assets and liabilities	38
Note 6. Financing our operations	40
Note 7. Risks, contingencies and valuation judgements	42
Note 8. Other disclosures	52

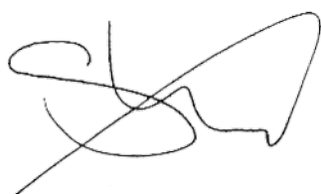
DECLARATION IN THE FINANCIAL STATEMENTS

We certify that the attached consolidated Financial Statements for the Shrine of Remembrance Trustees and the consolidated entity have been prepared in accordance with Standing Direction 5.2 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 2021 and the financial position of the Shrine of Remembrance Trustees and the consolidated entity at 30 June 2021.

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 17 September 2021.



Captain Stephen Bowater OAM RAN
Chair

Melbourne
17 September 2021



Dean M Lee
Chief Executive Officer

Melbourne
17 September 2021



Greg Gilmour CA
Chief Finance Officer

Melbourne
17 September 2021



Victorian Auditor-General's Office

Independent Auditor's Report

To the Trustees of the Shrine of Remembrance Trustees

Opinion	<p>I have audited the consolidated financial report of the Shrine of Remembrance Trustees (the Shrine) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> • consolidated entity balance sheet as at 30 June 2021 • consolidated entity comprehensive operating statement for the year then ended • consolidated entity statement of changes in equity for the year then ended • consolidated entity cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the consolidated entity Shrine as at 30 June 2021 and the consolidated entity's financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the Shrine and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Trustees' responsibilities for the financial report	<p>The Trustees of the Shrine are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Trustees are responsible for assessing the Shrine's and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Shrine's and consolidated entity's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees • conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Shrine's and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Shrine and consolidated entity 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 • obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Shrine to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the Shrine and the consolidated entity. I remain solely responsible for my audit opinion.
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Auditor's responsibilities for the audit of the financial report (continued)	I communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit
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MELBOURNE
21 September 2021

Travis Derricott
as delegate for the Auditor-General of Victoria

CONSOLIDATED COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
Continuing operations			
Revenue and income from transactions			
Grants	2.2	4,051,330	4,008,621
Donations	2.3	64,851	225,694
Operating activities income	2.4	131,512	272,002
Investment income	2.5	160,180	222,510
Other income	2.6	44,939	14,341
Total revenue and income from transactions		4,452,812	4,743,168
Expenses from transactions			
Employee expenses	3.1	3,067,767	2,813,972
Depreciation and amortisation	4.3	3,750,452	3,723,957
Repairs and maintenance		482,976	435,050
Other operating expenses	3.2	1,137,711	1,361,994
Total expenses from transactions		8,438,906	8,334,973
Net result from transactions (net operating balance)		(3,986,094)	(3,591,805)
Other economic flows included in net result			
Other gains/(losses) from other economic flows	8.10	6,002	(4,099)
Changes to the fair value of investments measured at fair value through net result	8.10	260,020	(88,675)
Total other economic flows included in net result		266,022	(92,774)
Net result for the year		(3,720,072)	(3,684,579)
Other economic flows – other comprehensive income:			
Items that will not be classified to net result			
Changes in physical asset revaluation surplus	8.2	9,810,211	19,253,650
Comprehensive result		6,090,139	15,569,071

The accompanying notes form part of these financial statements.

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021

	Notes	2021 \$	2020 \$
Assets			
Financial assets			
Cash and deposits	6.1	645,036	788,995
Receivables	5.1	231,964	75,075
Investments and other financial assets	4.3	2,450,493	2,190,473
Total financial assets		3,327,493	3,054,543
Non-financial assets			
Inventories	5.3	95,971	105,583
Property, plant and equipment	4.1	292,413,896	286,042,532
Intangible assets	4.2	12,321	21,294
Total non-financial assets		292,522,188	286,169,409
Total assets		295,849,681	289,223,952
Liabilities			
Payables	5.2	546,218	294,766
Unearned revenue	5.2	281,240	144,000
Employee related provisions	3.1.2	509,562	362,664
Total liabilities		1,337,020	801,430
Net Assets		294,512,661	288,422,522
Equity			
Accumulated surplus/(deficit)		(17,344,347)	(13,624,275)
Physical asset revaluation surplus	8.2	212,417,250	202,607,039
Contributed capital		99,439,758	99,439,758
Net worth		294,512,661	288,422,522

The accompanying notes form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	2021 \$	2020 \$
Cash flows from operating activities			
Receipts			
Receipts from government		4,483,478	4,465,583
Donations received		64,851	173,419
Distributions and interest received		103,950	152,673
Other receipts		184,634	313,599
Total receipts		4,836,913	5,105,274
Payments			
Payments to suppliers		(1,472,105)	(1,973,150)
Payments to employees		(2,935,253)	(2,749,971)
Goods and services tax paid to the Australian Taxation Office		(209,129)	(69,082)
Total payments		(4,616,487)	(4,792,203)
Net cash flows from/(used in) operating activities	6.1.1	220,426	313,071
Cash flows from investing activities			
Payments for investments		-	(110,140)
Purchases of non-financial assets		(364,385)	(406,882)
Net cash flows used in investing activities		(364,385)	(517,022)
Net increase/(decrease) in cash and cash equivalents		(143,959)	(203,951)
Cash and cash equivalents at beginning of financial year		788,995	992,946
Cash and cash equivalents at end of financial year	6.1	645,036	788,995

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Total Equity		Accumulated Surplus		Physical Asset Revaluation Surplus		Contributed capital	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at beginning of the financial year	288,422,522	272,853,499	(13,624,275)	(9,939,698)	202,607,039	183,353,389	99,439,758	99,439,758
Net result for the year	(3,720,072)	(3,684,577)	(3,720,072)	(3,684,577)	-	-	-	-
Revaluation	9,810,211	19,253,650	-	-	9,810,211	19,253,650	-	-
Balance at end of the financial year	294,512,661	288,422,522	(17,344,347)	(13,624,275)	212,417,250	202,607,039	99,439,758	99,439,758

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

1. About this report

The Shrine of Remembrance Trustees (the Trustees) is a government agency of the State of Victoria, established under the *Shrine of Remembrance Act 1978*. Its principal address is 2-42 Domain Road, South Yarra Victoria 3141.

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.

Basis of preparation

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

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The 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 the application of AASs that have significant effects on the financial statements and estimates are disclosed under the notes under the heading 'Significant judgements or estimates'.

These financial statements are presented in Australian dollars and prepared in accordance with the historical cost convention except for the revaluation of certain non-financial assets and financial instruments as noted. Cost is based on the fair values of the consideration given in exchange for assets.

The consolidated financial statements of the Shrine of Remembrance Trustees incorporate all entities controlled by the Trustees as at 30 June 2021 and their income and expenses for that part of the reporting period in which control existed. The entities over which the Shrine of Remembrance Trustees has control are:

- Shrine of Remembrance Foundation.
- Shrine of Remembrance Restoration and Development Trust.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

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*.

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

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Funding delivery of our services

Introduction

The Trustees have the following overarching functions:

1. responsibility for the care, management, maintenance and preservation of the Shrine of Remembrance;
2. development, promotion, management and the staging of ceremonial activities and events to commemorate the service and sacrifice of Victorians and Australians in war, conflict, peacekeeping and peacemaking; and
3. development, promotion, management and implementation of public programs to inform, educate and promote understanding among Victorians and visitors about the history, experience, service and sacrifice of Victorians and Australians in war, conflict, peacekeeping and peacemaking.

To enable the Trustees to fulfil their objectives and provide outputs, it receives grant funding from the Victorian Government. The Trustees also receive donations, sponsorships, investment income and revenue from merchandise sales and fee for service activities.

Structure

- 2.1 Summary of income that funds the delivery of our services.
- 2.2 Grants
- 2.3 Donations
- 2.4 Operating activities income
- 2.5 Investment income
- 2.6 Other income

2.1 Summary of income that funds the delivery of our services

	Notes	2021 \$	2020 \$
Grants	2.2	4,051,330	4,008,621
Donations	2.3	64,851	225,694
Operating activities income	2.4	131,512	272,002
Investment income	2.5	160,180	222,510
Other income	2.6	44,939	14,341
Total income from transactions		4,452,812	4,743,168

2.2 Grants

	2021 \$	2020 \$
City of Melbourne	336,330	333,000
Department of Environment, Land, Water & Planning	1,023,000	1,023,000
Department of Premier & Cabinet	2,682,000	2,648,121
Other	10,000	4,500
Total Income from grants	4,051,330	4,008,621

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Funding delivery of our services (cont'd)

2.1.1 Grants revenue recognition

The Trustees have determined that all grant income is recognised as income in accordance with AASB 1058, except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15.

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers. These grants relate to the provision of commemorative and exhibition services. Revenue is recognised when the Trustees satisfy the performance obligation by providing the relevant services to the relevant departments. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

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

- (a) contributions by owners, in accordance with AASB 1004;
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15;
- (c) a lease liability in accordance with AASB 16;
- (d) a financial instrument, in accordance with AASB 9; or
- (e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Funding delivery of our services (cont'd)

2.3 Donations

	2021 \$	2020 \$
Collection Boxes	11,036	45,533
Sponsorships	10,000	2,328
Bequests	2,000	-
Donations to Shrine of Remembrance Foundation Trust	33,924	115,836
Donated cultural asset at fair value	-	52,275
Other donations	7,891	9,722
Total income from donations and sponsorships	64,851	225,694

2.3.1 Donations

Donations are recognised as revenue when control over the assets comprising those revenues is obtained. Control is normally obtained upon receipt or upon prior confirmation that the asset has been secured.

2.3.2 Donated cultural assets

Donated cultural assets are recognised when the gift is accepted by the Shrine of Remembrance and control of the contribution or right to receive the contribution exists. Works donated under the Cultural Gifts Program are recorded at fair value which is determined by independent valuations.

2.3.3 Sponsorships

Sponsorships are recognised as revenue when the amount of the revenue can be reliably measured, and it is probable that the economic benefits associated with the transaction would flow to the Trustees.

2.4 Operating activities income

	2021 \$	2020 \$
Merchandise sales	114,099	231,770
Shrine tours	13,963	29,191
Venue hire	3,440	11,041
Total income from sale of goods and services	131,512	272,002

2.4.1 Operating activities income recognition

Revenue from the sale of goods is recognised when:

- the Trustees no longer have any of the significant risks and rewards of ownership of the goods transferred;
- the Trustees no longer have continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- the amount of revenue, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured; and
- it is probable that the economic benefits associated with the transaction would flow to the Trustees.

Revenue from the supply of services is recognised by reference to the stage of completion of the services performed. The income is recognised when:

- the amount of the revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction would flow to the Trustees.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

2. Funding delivery of our services (cont'd)

2.5 Investment income

	2021 \$	2020 \$
Interest on bank deposits	7,226	17,829
Distributions from Victorian Funds Management Corporation	145,246	161,776
Refund of franking credits	7,708	42,905
Total income from investment income	160,180	222,510

2.5.1 Investment income recognition

Interest income includes interest received on bank deposits, which is recognised on receipt. Distributions are recognised when the right to receive payment is established. Franking credits are recognised on receipt from the ATO.

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

2.6 Other Income

	2021 \$	2020 \$
Friends of the Shrine	17,564	11,169
Reimbursements ^(a)	25,921	3,172
Other	1,454	-
Total other income	44,939	14,341

Notes:

(a) Reimbursements have increased due to cost of \$20,411 recovered from RSL for Anzac Day 2021.

2.6.1 Other income recognition

Friends of the Shrine memberships and reimbursements are recognised on receipt.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

3. The cost of delivering our services

Introduction

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

Structure

- 3.1 Expenses incurred in delivering our services
- 3.2 Other operating expenses

3.1 Expenses incurred in delivering our services

	Notes	2021 \$	2020 \$
Employee benefits	3.1.1	3,061,765	2,813,972
Depreciation & amortisation	4.3	3,750,452	3,723,957
Repairs and maintenance		482,976	435,050
Other expenses	3.2	1,137,711	1,361,994
Total expenses incurred in delivery of services		8,432,904	8,334,973

3.1.1 Employee benefits in the comprehensive operating statement

	2021 \$	2020 \$
Salaries	2,501,510	2,332,379
Superannuation	253,294	228,022
Workcover	23,628	19,846
Annual leave expense	206,534	192,495
Long service leave expense	76,799	41,230
Total employee expenses	3,061,765	2,813,972

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

3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave and long service leave (LSL) for services rendered up to the reporting date and recorded as an expense during the period the services are delivered. The increase in total leave provisions over the year is due to a combination of increased accrued annual leave for all staff, increased number of staff with unconditional LSL entitlements, increase in superannuation guarantee rate and expected wage inflation rate of 2.95% as advised by the Department of Treasury and Finance.

	2021 \$	2020 \$
Current provisions:		
Annual Leave		
Unconditional and expected to settle within 12 months	208,069	142,057
Unconditional and expected to settle after 12 months	-	-
Long Service Leave		
Unconditional and expected to settle within 12 months	34,087	18,418
Unconditional and expected to settle after 12 months	115,708	96,851
On-costs		
Unconditional and expected to settle within 12 months	23,874	17,952
Unconditional and expected to settle after 12 months	12,674	9,986
Total current provisions for employee benefits	394,412	285,264
Non-current provisions:		
Long Service Leave	103,782	70,166
On-costs	11,368	7,234
Total non-current provisions for employee benefits	115,150	77,400
Total employee related provisions	509,562	362,664

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

3. The cost of delivering our services (cont'd)

Reconciliation of movement in provisions

	2021 \$	2020 \$
Annual Leave		
Opening balance	158,110	108,358
Additional provisions	206,534	194,499
Amounts used	(136,435)	(144,747)
Closing balance	228,209	158,110
Long Service Leave		
Opening balance	204,554	201,066
Additional provisions	76,799	45,329
Amounts used	-	(41,841)
Closing balance	281,353	204,554

Wages and Salaries, annual leave and sick leave: Liabilities for wages and salaries, including non-monetary benefits annual leave and accumulating sick leave are recognised in the provision for employee benefits, classified as current liabilities. Those liabilities which are expected to be settled within 12 months of the reporting period are measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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

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

The components of this current LSL liability are measured at:

- Undiscounted value — if the Shrine expects to wholly settle within 12 months; and
- Present value — if the Shrine does not expect to wholly settle within 12 months.

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

3.1.3 Superannuation

Superannuation contributions for the reporting period are included as part of employee benefits and on-costs in the operating statement of the entity.

The name and details of the major employee superannuation funds and contributions made by the entity are as follows:

	2021 \$	2020 \$
VicSuper	96,765	84,578
Vision Super	14,061	15,089
Australian Super	15,952	23,025
Planet Luck Superannuation Fund	21,003	19,087
Other Funds	105,513	86,243
Total	253,294	228,022

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

3. The cost of delivering our services (cont'd)

3.2 Other operating expenses

	2021	2020
	\$	\$
Commemorative services ^(a)	98,460	132,329
Education	4,582	9,229
Exhibitions	103,016	103,978
Facility	608,029	592,917
Fundraising	-	1,225
Marketing	187,261	195,613
Office and administration	20,432	30,636
Other operating	41,946	42,466
Planning	1,417	28,586
Public programs	24,259	28,244
Retail cost of sales	48,309	120,470
Total other expenses	1,137,711	1,361,993

Notes:

(a) The decrease in commemorative service expenses was due to reduced services being conducted during COVID-19 lockdowns.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. Expenses from transactions are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are sold.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. Key assets available to support output delivery

Introduction

The Trustees control property plant and equipment that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the Trustees to be utilised for delivery of services.

Structure

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

4.1 Property, plant and equipment

	2021 \$	2020 \$
Land at fair value	175,153,650	175,153,650
Net carrying amount	175,153,650	175,153,650
Heritage Assets — Shrine of Remembrance	190,341,051	172,783,294
Less: accumulated depreciation	(83,973,646)	(73,292,524)
Net carrying amount	106,367,405	99,490,770
Heritage Assets — Other	10,567,588	10,497,295
Less: accumulated depreciation	(3,604,866)	(3,506,572)
Net carrying amount	6,962,722	6,990,723
Plant and equipment	5,746,481	5,490,699
Less: accumulated depreciation	(2,758,837)	(2,330,763)
Net carrying amount	2,987,644	3,159,936
Furniture and fittings	1,998,978	1,998,978
Less: accumulated depreciation	(1,105,163)	(826,327)
Net carrying amount	893,815	1,172,651
Work in Progress	48,660	74,833
Net carrying amount	48,660	74,833
Total net carrying amount	292,413,896	286,042,532

Land is recognised initially at cost and subsequently measured at fair value less the community service obligation (CSO).

Heritage Assets are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment.

Plant & Equipment and Furniture & Fittings are recognised initially at cost and subsequently measured at fair value less accumulated depreciation and impairment. Depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Non-current physical assets measured at fair value are revalued in accordance with FRD 103I *Non-current physical assets*. This revaluation process normally occurs at least every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRD's. Revaluation increments or decrements arise from differences between an asset's carrying value and fair value.

Non-financial physical assets such as heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best use.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. Key assets available to support output delivery(cont'd)

4.1 Property, plant and equipment (cont'd)

Restrictive nature of land, cultural and heritage assets

The Trustees hold land, cultural and heritage assets that are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

Non-financial physical assets constructed by the Trustees

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

Land

Land is valued at its fair value for existing use as the land is subject to a Queen's Caveat that forbids registration of any transfer or dealing with any part of the land by the entity. The Land is valued using the market approach, which compares the land to recent comparable sales although it 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 the land.

Heritage Assets — Shrine building

The Shrine of Remembrance building is classified as a Heritage Asset. The depreciated replacement cost is the valuation method used, adjusted for the associated depreciation on a useful life basis.

Heritage Assets — Other

Other Heritage Assets refers to other war memorial artefacts and collection items, which are valued on a market based direct comparison approach.

Plant, Equipment, Furniture and Fittings: Plant, equipment, furniture and fittings are recorded at fair value. This is normally determined with reference to the asset's depreciated replacement cost.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4. Key assets available to support output delivery(cont'd)

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

	Land		Heritage assets- Shrine of Remembrance		Heritage assets- Other		Plant & Equipment		Furniture & Fittings		Work in Progress		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Carrying amount at start of year	175,153,650	155,900,000	99,490,770	102,427,045	6,990,723	7,028,852	3,159,906	3,498,674	1,172,651	1,115,280	74,833	65,382	286,042,532	270,035,233
Additions	-	-	2,700	-	2,000	54,975	255,812	73,230	-	27,539	42,120	303,413	302,632	459,157
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluations	-	19,253,650	9,810,211	-	-	-	-	-	-	-	-	-	9,810,211	19,253,650
Transfers between classes	-	-	-	-	68,293	5,188	-	-	-	288,774	(68,293)	(293,962)	-	-
Depreciation	-	-	(2,936,276)	(2,936,275)	(98,293)	(98,293)	(428,074)	(411,998)	(278,837)	(258,942)	-	-	(3,741,479)	(3,705,508)
Net carrying amount at end of the year	175,153,650	175,153,650	106,367,405	99,490,770	6,962,722	6,990,723	2,987,644	3,159,906	893,814	1,172,651	48,660	74,833	292,413,896	286,042,532

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

4 Key assets available to support output delivery(cont'd)

4.1.2 Depreciation and amortisation

Charge for the period

	2021 \$	2020 \$
Heritage assets	3,034,569	3,034,567
Plant and equipment	428,074	411,999
Furniture and fittings	278,836	258,942
Intangible assets	8,973	18,449
Total depreciation and amortisation	3,750,452	3,723,957

Depreciation measures the service potential of heritage assets, plant and equipment and furniture and fittings consumed during the year. Depreciation is recognised on a straight-line basis over the useful lives of the assets to the entity. Depreciation rates are reviewed each financial year.

The expected useful lives of the assets for current and prior years are as follows:

Useful life of assets

	Useful life (years)
Shrine building	95–180
Other heritage assets	50–150
Plant & equipment	5–30
Furniture & fittings	5–30
Intangibles	5–10

4.2. Intangible assets

	2021 \$	2020 \$
Capitalised software	152,119	152,119
Less: accumulated amortisation	(139,798)	(130,825)
Carrying amount at end of the year	12,321	21,294
Reconciliation of carrying amounts		
Carrying amount at start of year	21,294	39,743
Additions	-	-
Amortisation	(8,793)	(18,449)
Carrying amount at end of the year	12,321	21,294

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Shrine. Intangible assets consist of items of software and the Shrine website. Costs in relation to the web site controlled by the Trustees are charged as expenses in the period in which they are incurred unless they relate to the acquisition of an asset, in which case they are capitalised as Intangible Assets and amortised over their period of expected benefit (10 years).

4.3 Investments and other financial assets

	2021 \$	2020 \$
Managed investment – Victorian Funds Management Corporation	2,450,493	2,190,473
Total investments and other financial assets	2,450,493	2,190,473

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

5. Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arise from the Trustees operations.

Structure

- 5.1 Receivables
- 5.2 Payables
- 5.3 Inventories

5.1 Receivables

	2021 \$	2020 \$
Contractual		
Accrued investment income	126,070	69,837
Prepaid wages	34,704	-
Other receivables (net)	4,372	5,238
Statutory		
GST receivable	66,818	-
Total receivables	231,964	75,075

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They consist predominantly of debtors in relation to goods and services and accrued investment income and are initially recognised at fair value plus any directly attributable transaction costs. The Trustees hold 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 for disclosure purposes. The Trustees apply 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.

Receivables consist of contractual receivables, such as debtors in relation to goods and services, accrued investment income and statutory receivables. A provision for doubtful receivables is made when there is objective evidence that these debts will not be collected. Bad debts are written off when identified.

5.2 Payables

	2021 \$	2020 \$
Current contractual financial liabilities		
Creditors	305,421	96,835
Accrued expenses	240,452	188,701
Deferred revenue	278,750	144,000
Other payables	2,835	-
Statutory		
GST payable	-	9,230
Total payables	827,458	438,766

Payables consist of:

- **contractual payables** classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Trustees prior to the end of the financial year that are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but the terms and conditions of amounts payable to the government and agencies vary according to the particular agreements, they 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.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

5. Other assets and liabilities (cont'd)

5.2 Payables (cont'd)

- **Deferred revenue**

Grant consideration was also received from the State Government in support of exhibition and commemorative services. Grant income is recognised when the relevant performance obligations have been completed. The remaining grant revenue is recognised when the services are rendered in the following year.

The contractual maturity analysis of the Shrine's financial liabilities is as follows:

	Carrying amount \$	Nominal amount \$	Less than 1 month \$	Maturity		
				1-3 months \$	3 months - 1 year \$	1-5 years \$
2021						
Payables	305,421	305,421	305,421	-	-	-
	305,421	305,421	305,421	-	-	-
2020						
Payables	294,766	294,766	294,766	-	-	-
	294,766	294,766	294,766	-	-	-

5.3 Inventories

	2021 \$	2020 \$
Inventories held for sale	95,971	105,583
Total inventories	95,971	105,583

Inventories held for sale are measured at the lower of cost and net realisable value.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

6. Financing our operations

Introduction

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

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional specific financial instrument disclosures.

Structure

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

6.1 Cash flow information and balances

For the purposes of the cash flow statement, cash and cash equivalents comprises cash on hand, cash at bank, bank overdrafts and deposits at call, and highly liquid investments with an original maturity of three months or less, that are readily convertible to cash on hand and are subject to insignificant changes of value, as indicated in the reconciliation below.

	2021 \$	2020 \$
Cash on hand	1,813	1,662
Cash at bank	643,223	787,333
Balance as per cash flow statement	645,036	788,995

The Shrine of Remembrance has available the following bank facilities:

- Credit Card (Visa) - limit \$25,000.

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

	2021 \$	2020 \$
Net result for the period	(3,720,072)	(3,684,579)
Non-cash movements		
Depreciation & amortisation	3,750,452	3,723,957
Fair value movement of other financial assets	(260,020)	88,675
Other	61,753	(52,275)
Movements in assets and liabilities		
(Increase)/decrease in receivables	(156,889)	(20,503)
Increase/(decrease) in payables	388,692	208,207
Increase/(decrease) in employee benefits	146,898	53,240
(Increase)/decrease in inventories	9,612	(3,651)
Net cash flows from/(used in) operating activities	220,426	313,071

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

6. Financing our operations (cont'd)

6.2 Commitments for expenditure

Commitments for future expenditure include operating commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST Payable.

	Less than 1 year \$	1 - 5 years \$	5+ years \$	Total \$
2021				
Other commitments payable	442,154	286,770	-	728,924
Operating lease commitments ^(a)	8,428	9,832	-	18,260
Total commitments (inclusive of GST)	450,582	296,602	-	747,184
Less GST recoverable from ATO	(40,962)	(26,964)	-	(67,926)
Total commitments (exclusive of GST)	409,620	269,638	-	679,258
2020				
Other commitments payable	572,909	619,107	-	1,192,016
Operating lease commitments ^(a)	8,428	18,620	-	26,687
Total commitments (inclusive of GST)	581,337	637,367	-	1,218,703
Less GST recoverable from ATO	(52,849)	(57,942)	-	(110,791)
Total commitments (exclusive of GST)	528,488	579,425	-	1,107,912

Notes:

(a) Operating leases are for the lease of office equipment. The Trustees have elected to apply the recognition exemption para 5(a) AASB 16 – Leases: “leases for which the underlying asset is of low value”.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements

Introduction

The Shrine of Remembrance Trustees is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements.

This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Shrine relates 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 between entities that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Shrine's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables do not meet the definition of financial instruments as they do not arise under contract.

Categories of financial assets

Financial assets at amortised cost

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

- The assets are held by the Trustees to collect the contractual cash flows, and
- The assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

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

The Trustees recognise the following assets in this category:

- Cash and deposits
- Trade receivables (excluding statutory receivables)

Financial assets at fair value through net result

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

The Trustees recognise Investments and other financial assets in this category.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.1 Financial instruments specific disclosures (cont'd)

Categories of financial liabilities

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The Trustees recognise payables (excluding statutory payables) in this category.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Trustees have a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

7.1.1 Financial instruments: Categorisation

	Financial assets designated at fair value through profit/loss (FVTPL) \$	Financial assets at amortised cost (AC) \$	Financial liabilities at amortised cost (AC) \$	Total \$
2021				
Contractual financial assets				
Cash and deposits	-	645,036	-	645,036
Other financial assets	2,450,493	-	-	2,450,493
Accrued investment income	-	126,070	-	126,070
Other receivables	-	44,126	-	44,126
Total contractual financial assets	2,450,493	815,232	-	3,265,725
Contractual financial liabilities				
Payables				
Supplies and services	-	-	520,302	520,302
Amounts payable to government and agencies	-	-	98,406	98,406
Total contractual financial liabilities	-	-	618,708	618,708
2020				
Cash and deposits	-	788,995	-	788,995
Other financial assets	2,190,473	-	-	2,190,473
Other receivables	-	4,280	-	4,280
Total financial assets	2,190,473	793,275	-	2,983,748
Contractual financial liabilities				
Payables				
Supplies and services	-	-	218,350	218,350
Amounts payable to government and agencies	-	-	67,186	67,186
Total contractual financial liabilities	-	-	285,536	285,536

Note: The total amounts disclosed here exclude statutory amounts (e.g. taxes payable)

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.1.2 Net holding gain/(loss) on financial instruments

	Net holding gain/ (loss) \$	Total interest income/ (expense) \$	Total \$
2021			
Contractual financial assets			
Cash and deposits	-	7,226	7,226
Other financial assets	121,261	-	121,261
Total financial assets	121,261	7,226	128,487
2020			
Cash and deposits	-	17,829	17,829
Other financial assets	116,006	-	116,006
Total financial assets	116,006	17,829	133,835

7.1.3 Financial risk management objectives and policies

The Trustees financial risk management program seeks to manage risks and the associated volatility of its financial performance.

The main purpose in holding financial instruments is to prudently manage the Trustees financial risks within the government policy parameters.

The Trustees main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk.

The Trustees use 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.

Financial instruments: Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the balance sheet.

Financial Assets that are either past due or impaired

Currently the entity does not hold any collateral as security nor credit enhancements relating to any of its financial assets. As at the reporting date, there is no indication that the financial assets have been impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.1.3 Financial risk management objectives and policies (cont'd)

Ageing analysis of contractual financial assets:

	Carrying amount	Current	Less than 1 month	Maturity 1-3 months	3 months - 1 year	1-5 years	Total
	\$	\$	\$	\$	\$	\$	\$
2021							
Expected credit loss rate (%)				99		5	
Accrued investment income	126,070	126,070	-	-	-	-	126,070
Other receivables	44,126	1,639	1,700	3,432	1,000	36,355	44,126
	170,196	127,709	1,700	3,432	1,000	36,355	170,196
Loss allowance		-	-	3,399	-	1,651	5,050
2020							
Other receivables	4,280	-	-	2,452	1,828	-	4,280
	4,280	-	-	2,452	1,828	-	4,280

Financial instruments: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The Trustees operate under the policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution.

The Trustees manage risk through monitoring future cash flows and maturities planning to ensure adequate holding of high-quality liquid assets and dealing in highly liquid markets.

The Trustees exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

Financial instruments: Market risk

The Trustees exposure to market risk is primarily through interest rate risk and equity price risk. Objectives, policies and processes used to manage this risk are disclosed below.

Interest rate risk

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

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

Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Trustees to significant risk, management monitors cash flows and movement in interest rates on a daily basis.

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

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.1.3 Financial risk management objectives and policies (cont'd)

Interest rate exposure of financial instruments

	Weighted average effective interest rate %	Carrying Amount	Interest Rate Exposure		
			Fixed interest rate	Variable interest rate	Non-interest bearing
2021					
Cash & cash equivalents	0.10%	645,036	-	645,036	-
Investments and other financial assets		2,450,493	-	-	2,450,493
Other receivables		44,126	-	-	44,126
Total financial assets		3,139,695	-	645,036	2,494,619
2020					
Cash & cash equivalents	0.70%	788,995	-	788,995	-
Investments and other financial assets		2,190,473	-	-	2,190,473
Receivables		4,280	-	-	4,280
Total financial assets		2,983,748	-	788,995	2,194,753

Sensitivity disclosure analysis and assumptions

The Trustees sensitivity to market risk is determined based on the observed range of actual historical data. The Trustees fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (100 basis points up and down) in market interest rates (AUD); and
- a movement of 15 per cent up and down (2020: 15 per cent) for the top ASX 200 index.

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

Interest rate risk sensitivity

	Carrying amount	-100 basis points/-1%	-100 basis points/-1%	+100 basis points/+1%	+100 basis points/+1%
		Net result	Fair value through OCI reserve	Net result	Fair value through OCI reserve
2021					
Cash assets	645,036	(6,450)	-	6,450	-
Total impact		(6,450)	-	6,450	-
2020					
Cash assets	788,995	(7,889)	-	7,889	-
Total impact		(7,889)	-	7,889	-

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.1.3 Financial risk management objectives and policies (cont'd)

Equity price risk

The Trustees are exposed to equity price risk through its managed investments. Such investments are allocated and traded to match the investment objectives appropriate for the Trustees liabilities.

The Trustees have appointed VFMC to manage its investment portfolio in accordance with the Investment Risk Management Plan approved by the Treasurer. The fund manager on behalf of the Trustees closely monitors performance and manages the equity price risk through diversification of its investment portfolio.

The Trustees sensitivity to equity price risk is set out below.

Equity price risk sensitivity

	Carrying amount	-15% Net result	-15% Fair value through OCI reserve	+15% Net result	+15% Fair value through OCI reserve
2021					
Investments and other financial assets	2,450,493	(367,574)	-	367,574	-
Total impact		(367,574)	-	367,574	-
2020					
Investments and other financial assets	2,190,473	(328,570)	-	328,570	-
Total impact		(328,570)	-	328,570	-

7.2. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

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

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

There were \$0 contingent assets based on the above definitions relating to the Trustees at 30 June 2021 (30 June 2020: Nil).

Contingent liabilities

Contingent liabilities are:

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

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

There were \$0 contingent liabilities based on the above definitions relating to the Trustees at 30 June 2021 (30 June 2020: Nil).

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.3 Fair Value determination

This section sets out information on how the Trustees 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, buildings, infrastructure, 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 Trustees determine the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair value hierarchy

Consistent with AASB 13 *Fair Value Measurement*, the Trustees determine the policy and procedure for recurring fair value measurements such as Land & Heritage Assets.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

Fair value determination of financial assets and liabilities

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

Level 1 — The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices; and

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — The fair value of other financial assets and liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The entity considers that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values, because of the availability of accurate market prices or their short term nature and the expectation that they will be paid in full.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

7. Risks, contingencies and valuation judgements (cont'd)

7.3 Fair Value determination (cont'd)

Description of significant unobservable inputs to level 3 valuations

	Valuation technique	Significant Unobservable Inputs	Range	Sensitivity of fair value measurement to changes in significant unobservable inputs
Land	Market approach	Community Service Obligation (CSO) adjustment	60%	A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value.
Heritage Assets — Shrine of Remembrance building	Depreciated replacement cost	Direct cost per square metre	\$2,001-\$12,188	A significant increase or decrease in direct cost per square metre would result in a significantly higher or lower valuation.
		Useful life	95–180 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Heritage Assets — Other	Market based direct & Depreciated replacement cost	Cost per unit	\$2,250-\$94,608	A significant increase or decrease in direct cost per unit would result in a significantly higher or lower valuation.
		Useful life	50–150 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant & Equipment	Depreciated replacement cost	Cost per unit	\$1,500-\$225,000	A significant increase or decrease in cost per unit would result in a significantly higher or lower valuation.
		Useful life	5–30 years	A significant increase or decrease in the useful life of the asset would result in a significantly higher or lower valuation.
Furniture & Fittings	Depreciated replacement cost	Cost per unit	\$1,008-\$53,027	A significant increase or decrease in cost per unit would result in a significantly higher or lower valuation.
		Useful life	5–30 years	A significant increase or decrease in the useful life of the asset would result in a significantly higher or lower valuation.

Descriptions of significant unobservable inputs to level 3 valuations are the same as the previous year.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 21

7. Risks, contingencies and valuation judgements (cont'd)

7.3 Fair Value determination (cont'd)

Fair value measurement hierarchy

	Carrying amount	Level 1 \$	Level 2 \$	Level 3 \$
2021				
Land	175,153,650	-	-	175,153,650
Heritage assets — Shrine building	106,367,405	-	-	106,367,405
Heritage assets — Other	6,962,722	-	4,542,036	2,420,686
Plant and equipment	2,897,644	-	-	2,897,644
Furniture and fittings	893,815	-	-	893,815
Total	292,275,236	-	4,542,036	287,733,200
	Carrying amount	Level 1 \$	Level 2 \$	Level 3 \$
2020				
Land	175,153,650	-	-	175,153,650
Heritage assets — Shrine building	99,490,770	-	-	99,490,770
Heritage assets — Other	6,990,723	-	4,542,036	2,448,687
Plant and equipment	3,159,906	-	-	3,159,906
Furniture and fittings	1,172,651	-	-	1,172,651
Total	285,967,700	-	4,542,036	281,425,664

The valuations have been conducted as below:

Land

- (i) Valuation of the Land was determined by the Valuer General Victoria (VGV) based on market based direct comparison approach adjusted for CSO. The effective date of the Valuation is 30 June 2017.
- (ii) A management valuation of the Trustees' land was made using the VGV land indices to determine the fair value. Reliance on land indices in the coronavirus (COVID-19) environment is inherently uncertain and conditions in future may be materially different from those estimated at the reporting date. The valuation which conforms to FRD 103H was performed using the market approach adjusted for CSO. The effective date of the valuation was 30 June 2020.

Heritage building

- (i) Valuation of the Shrine of Remembrance building was determined by an independent valuer, Napier & Blakeley Pty Ltd on behalf of the Valuer-General Victoria. The revaluation was based on reproduction and depreciated reproduction cost of the asset and components. The effective date of the valuation is 30 June 2017.
- (ii) A management valuation of the Trustees' building was made using the VGV building indices to determine the fair value. Reliance on building indices in the coronavirus (COVID-19) environment is inherently uncertain and conditions in future may be materially different from those estimated at the reporting date. The valuation which conforms to FRD 103I was performed using the market approach. The effective date of the valuation was 30 June 2021.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 21

7. Risks, contingencies and valuation judgements (cont'd)

7.3 Fair Value determination (cont'd)

Heritage assets — Other

- (i) Valuation of other heritage cultural assets was determined by an independent valuer, Dominion Pty Ltd on behalf of the Valuer-General Victoria. The revaluation was based on the market based direct comparison approach. The effective date of the valuation is 30 June 2017.

Plant and equipment, furniture and fittings

- (i) Plant & Equipment and Furniture & Fittings was determined by an independent valuer, Napier & Blakeley Pty Ltd on behalf of the Valuer-General Victoria. The revaluation was based on depreciated replacement cost.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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 Subsequent events
- 8.2 Reserves
- 8.3 Responsible persons
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Contributed capital
- 8.7 Economic dependency
- 8.8 Resources provided free of charge
- 8.9 Other economic flows included in net result
- 8.10 Consolidated entities
- 8.11 Australian Accounting Standards issued that are not yet effective

8.1 Subsequent events

The coronavirus (COVID-19) pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated at the reporting date. In the event the coronavirus (COVID-19) pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the entity. At the date of the annual report an estimate of the future effects of the coronavirus (COVID-19) pandemic on the entity cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

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

8.2 Reserves

	2021 \$	2020 \$
Physical Asset Revaluation Surplus		
Land	153,953,650	153,953,650
Buildings	53,492,788	43,682,577
Heritage assets — Other	4,943,133	4,943,133
Plant and equipment & Furniture and fittings	27,679	27,679
Total Physical Asset Revaluation Surplus	212,417,250	202,607,039
Movement in Physical Asset Revaluation Surplus		
Balance at the beginning of the financial year	202,607,039	183,353,389
Revaluation—Land	-	19,253,650
Revaluation—Shrine of Remembrance building	9,810,211	-
Revaluation—Heritage assets — Other	-	-
Revaluation—Plant and equipment & Furniture and fittings	-	-
Balance at the end of the financial year	212,417,250	202,607,039

Revaluation increments are recognised in other economic flows — other comprehensive income and credited directly to the physical asset revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense, the increment is recognised as revenue.

Revaluation decrements are recognised immediately as expenses, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the physical asset revaluation surplus.

Revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

8. Other disclosures (cont'd)

8.3 Responsible persons

The persons who held the positions of Minister, Trustees and Accountable Officer in the Shrine of Remembrance from 1 July 2020 to 30 June 2021 were:

Responsible Minister	The Hon Shaun Leane, MP, Minister for Veterans
Trustees	Air Vice-Marshal Chris Spence AO (Retd) (to 13 February 2021) Captain Stephen Bowater OAM RAN (Appointed 14 February 2021) (Chair) Colonel John Wertheimer AM RFD (to 15 August 2020) Colonel Catherine (Bunny) Carrigan The Right Hon the Lord Mayor Sally Capp Dr Robert Webster OAM Mr Graeme Plumridge OAM Ms Sue Blake GAICD Ms Tracey Curro Mr Roger Clifton JP Ms Nikki Deighton Ms Talieh Williams (Appointed 13 April 2021)
Accountable Officer	Dean M Lee, Chief Executive Officer

Remuneration of Responsible Persons

	2021	2020
Income Band		
\$0 – \$9,999	2	2
\$210,000 – \$219,999	-	1
\$240,000 – \$249,999	1	-
Total Numbers	3	3
Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:	\$246,386	\$223,279

Amounts relating to Ministers are reported in the financial statements of the Department of Parliamentary Services.

8.4 Related parties

The Shrine of Remembrance is a Victorian Government Entity. Related parties of the Shrine include:

- all key management personnel and their close family members;
- 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.

Significant transactions with government-related entities

The Trustees received grant funding from the Department of Premier and Cabinet of \$2,746,750 (2020: \$2,792,121) and Department of Environment, Land, Water and Planning of \$1,023,000 (2020: \$1,023,000). Funding is recognised as revenue as performance obligations are fulfilled.

Key Management Personnel (KMP) includes the Portfolio Ministers, the Trustees and the Chief Executive Officer.

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported in the financial report of Department of Parliamentary Services.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

8. Other disclosures (cont'd)

8.4 Related parties (cont'd)

	2021 \$	2020 \$
Compensation of KMPs		
Short-term employee benefits	225,010	203,907
Post-employment benefits	21,376	19,372
Other long-term benefits	-	-
Termination benefits	-	-
Total	246,386	223,279

Transactions with KMPs and other related parties

Given the breadth and depth of Victorian Government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public. 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 the Victorian Government Procurement Board requirements.

During the year, the Trustees received grant funding from the City of Melbourne of \$336,330 (2020: \$333,000).

During the year, Trustee sitting fees of \$3,925 were paid (2020: \$3,280). No other amounts were paid to Trustees.

Outside of normal citizen type transactions with the Shrine, there were no related party transactions that involved KMPs and their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

8.5 Remuneration of auditors

	2021 \$	2020 \$
Audit fees paid or payable to the Victorian Auditor-General's Office		
Audit of the annual financial statements	27,900	21,600
Total remuneration of auditors	27,900	21,600

No other services were provided by the Victorian Auditor-General's Office.

8.6 Contributed capital

Consistent with Australian Accounting Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* and FRD 119 *Contributions to Owners*, appropriations for additions to the net asset base have been designated as contributed capital. Other transfers that are in the nature of contributions or distributions that have been designated as contributed capital are also treated as contributed capital.

8.7 Economic dependency

A significant proportion of the revenue is received through grant funding from the State Government. The Trustees are reliant on this funding to meet their commitments as and when they fall due. The Trustees have no reason to believe that the State Government support will not continue.

8.8 Resources provided free of charge

The City of Melbourne provides non-monetary support in grounds maintenance of the Shrine Reserve and administrative services to the Trustees free of charge. The value of this support for the year ended 30 June 2021 is estimated by City of Melbourne to be \$494,000 (2020: \$494,000).

The Victoria Police provides non-monetary support in security to the Trustees free of charge. The value of this support cannot be reliably valued.

The Trustees also receive volunteer services and depend on volunteers to support delivery of educational programs. The value of this support cannot be reliably valued.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

8. Other disclosures (cont'd)

8.9 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

Other gains/(losses) from other economic flows include the gains or losses from:

- Net gain/(loss) on financial instruments; and
- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

	2021 \$	2020 \$
Other gains/(losses) from other economic flows		
Gain/(loss) on revaluation of long service leave liability due to changes in bond rates	6,002	(4,099)
Changes to the fair value of investments measured at fair value through net result		
Gain/(loss) on revaluation of investments due to changes in market values	260,020	(88,675)
Total	266,022	(92,774)

8.10 Consolidated entities

The following two controlled entities have been consolidated into the Shrine of Remembrance financial statements:

- Shrine of Remembrance Foundation, and
- Shrine of Remembrance Restoration and Development Trust (terminated 31 March 2021).

Those entities are reported in aggregate in the table below.

	Shrine of Remembrance Trustees		Controlled entities		Total	
	2021 \$	2020 \$	2021 \$	2020 \$	2021 \$	2020 \$
Total income from transactions	4,253,635	4,436,489	199,177	306,679	4,452,812	4,743,168
Net result from transactions	(4,179,284)	(3,413,752)	193,190	(178,053)	(3,986,094)	(3,591,805)
Total Assets	292,688,306	285,781,084	3,161,375	2,641,438	295,849,681	289,223,952
Total liabilities	1,267,020	801,430	70,000	-	1,337,020	801,430

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

8. Other disclosures (cont'd)

8.11 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied to the Model Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

Standard/ Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current</i>	This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.	1 January 2023.	The standard is not expected to have a significant impact on the public sector.
	AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i> was issued in August 2020 and defers the effective date to annual reporting periods beginning on or after 1 January 2023 instead of 1 January 2022, with earlier application permitted.		

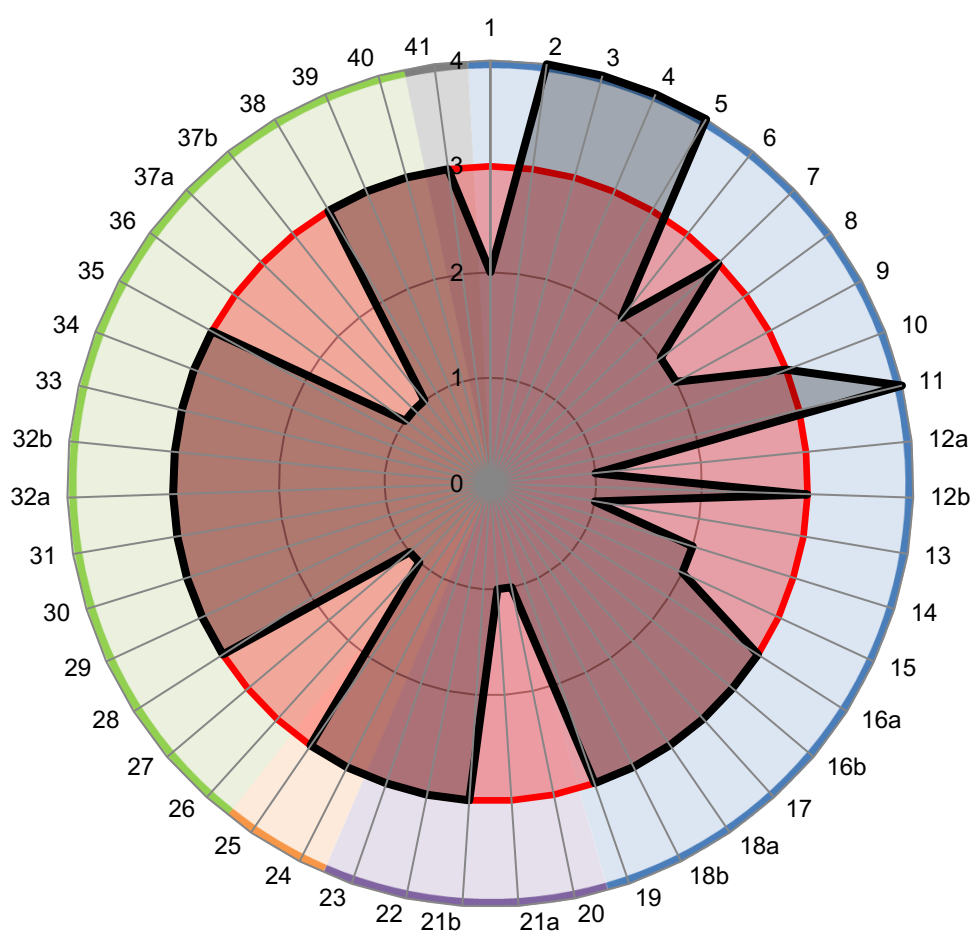
In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2020—21 reporting period (as listed below). In general, these amending standards include editorial and reference changes that are expected to have insignificant impacts on public sector reporting.

- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (Appendix C).
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2020-7 *Amendments to Australian Accounting Standards – Covid-19-Rent Related Concessions: Tier 2 Disclosures*.
- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*.
- AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*.
- AASB 2021-1 *Amendments to Australian Accounting Standards – Transition to Tier 2: Simplified Disclosures for Not-for-Profit Entities*.
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definitions of Accounting Estimates*.

ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK (AMAF) MATURITY ASSESSMENT

The following sections summarise the Shrine's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements.

The Shrine's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Target



Overall



Legend

Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

Leadership and Accountability (requirements 1-19)

The Shrine has met or exceeded its target maturity level under most requirements within this category. The Shrine did not comply with some requirements in the areas of monitoring asset performance. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Shrine's maturity rating in these areas.

Planning (requirements 20-23)

The Shrine has met its target maturity level under most requirements within this category. The Shrine did not comply with some requirements in the areas of asset management strategy. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Shrine's maturity rating in these areas.

Acquisition (requirements 24 and 25)

The Shrine has met its target maturity level in this category.

Operation (requirements 26-40)

The Shrine has met its target maturity level under most requirements within this category. The Shrine did not comply with some requirements in the areas of monitoring and preventative action and information management. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Shrine's maturity rating in these areas.

Disposal (requirement 41)

The Shrine has met its target maturity level in this category.

DISCLOSURE INDEX

The Annual Report of the Shrine of Remembrance is prepared in accordance with all relevant Victorian legislation and pronouncements as far as practicable. This index has been prepared to facilitate identification of the Shrine's compliance with statutory disclosure requirements.

Legislation	Requirement	Page Number
Charter and purpose		
FRD 22H	Manner of establishment and the relevant Ministers	3–4, 53
FRD 22H	Purpose, functions, powers and duties	3–4
FRD 22H	Key Initiatives and Projects	6–9
FRD 22H	Nature and range of services provided	6–9
Management and structure		
FRD 22H	Organisational structure	11
Financial and other information		
FRD 10A	Disclosure index	59–60
FRD 12B	Disclosure of major contracts	61
FRD 15E	Executive officer disclosures	53
FRD 22H	Employment and conduct principles	61
FRD 22H	Occupational health and safety policy	15
FRD 22H	Summary of the financial results for the year	22
FRD 22H	Significant changes in financial position during the year	23
FRD 22H	Major changes or factors affecting performance	6–9
FRD 22H	Subsequent events	52
FRD 22H	Application and operation of <i>Freedom of Information Act</i> 1982	61
FRD 22H	Compliance with building and maintenance provisions of <i>Building Act</i> 1993	61
FRD 22H	Statement on Competitive Neutrality Policy	61
FRD 22H	Application and operation of the <i>Public Interest Disclosures Act</i> 2012	61
FRD 22H	Application and operation of the <i>Carers Recognition Act</i> 2012	61
FRD 22H	Details of consultancies both under and over \$10,000	62
FRD 22H	Disclosure of government advertising expenditure	63
FRD 22H	Disclosure of ICT expenditure	63
FRD 22H	Statement of availability of other information	63
FRD 24D	Reporting of office-based environmental impacts	63
FRD 25D	Local Jobs First	64
FRD 29C	Workforce Data disclosures	64
SD 5.2	Specific requirements under Standing Direction 5.2	18
FRD 30D	Standard requirements for the publication of annual reports	64

DISCLOSURE INDEX CONT'D

Legislation	Requirement	Page Number
Compliance attestation and declaration		
SD 5.1.4	Attestation for compliance with Ministerial Standing Direction	16
SD 5.2.3	Declaration in report of operations	2
Financial statements		
Declarations		
SD 5.2.2	Declaration in financial statements	18
SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	26
SD 5.2.1(a)	Compliance with Standing Directions	16
SD 5.2.1(b)	Compliance with Model Financial Report	64
Other disclosures as required by FRDs in notes to the financial statements		
FRD 11A	Disclosure of ex-gratia expenses	NIL
FRD 21C	Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report	53
FRD 103I	Non-Financial Physical Assets	34
FRD 110A	Cash Flow Statements	24
FRD 112D	Defined Benefit Superannuation Obligations	NIL
FRD 114C	Financial Instruments	42
Legislation		
	<i>Freedom of Information Act 1982</i>	61
	<i>Building Act 1993</i>	61
	<i>Public Interest Disclosures Act 2012</i>	61
	<i>Carers Recognition Act 2012</i>	61
	<i>Local Jobs Act 2003</i>	64
	<i>Financial Management Act 1994</i>	16
	<i>Disability Act 2006</i>	63

APPENDIX

Disclosure of Major Contracts

The Shrine of Remembrance Trustees have no contracts at or above the prescribed level of \$10 million within the 2020–21 reporting period.

Employment and Conduct Principles

The Shrine of Remembrance is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

Freedom of Information

The Shrine of Remembrance is subject to the provisions of the *Freedom of Information Act* 1982. The *Freedom of Information Act* 1982 allows the public a right to seek access to documents held by the Shrine of Remembrance. Requests should be forwarded to Shrine of Remembrance Trustees, GPO Box 1603, Melbourne, Victoria 3001.

Shrine Trustees received no Freedom of Information requests within the 2020–21 reporting period.

The number of FOI Requests made to the Shrine of Remembrance	2018–19	2019–20	2020–21
Assessable FOI Requests	0	0	0

Compliance with *Building Act* 1993

During the reporting period the Trustees have complied with the *Building Act* 1993 as appropriate.

Compliance with neutrality policy

Shrine Trustees adhere to the principles of the National Competition Policy and Competitive Neutrality Policy (Vic) to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if not in the public interest.

Compliance with the *Public Interest Disclosures Act* 2012

The *Public Interest Disclosures Act* 2012 encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act.

and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Shrine of Remembrance does not tolerate improper conduct by personnel, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Shrine will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Disclosures of improper conduct or detrimental action by the Shrine or any of its employees may be made to the Chairman of Trustees or the Chief Executive Officer. Alternatively, disclosures may also be made directly to:

Independent Broad-based Anti-Corruption Commission:

Level 1, North Tower
459 Collins Street
MELBOURNE VIC 3000
Phone: 1300 735 135
Internet: ibac.vic.gov.au.

The number of disclosures made by an individual to the Shrine of Remembrance and notified to the Independent Broad-based Anti-corruption Commission	2018–19	2019–20	2020–21
Assessable disclosures	0	0	0

Compliance with the *Carers Recognition Act* 2012

The Shrine of Remembrance has taken all practical measures to comply with its obligations under the *Carers Recognition Act* 2012. These include: considering the care relationship principles set out in the Act when setting policies and providing services [e.g., reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act].

APPENDIX CONT'D

Consultancies

In 2020–21 there were two consultancies where the total fees payable to the consultants were \$10,000 or more. The total expenditure incurred during 2020–21 in relation to these consultancies was \$27,995 (excl GST).

Consultant	Details	start date	end date	Total approved fee (excl GST)	Expenditure 2019–20 (excl GST)	Future expenditure (excl GST)
				\$	\$	\$
Sandwalk Partners Pty Ltd	Shrine Trustees Strategic Planning Review	25/02/2021	25/07/2021	12,875	12,875	-
Experiential Environments Melbourne Pty Ltd	Visitor Centre concept design	30/09/2020	30/06/2021	15,120	15,120	-
					27,995	

In 2020–21 there were three consultancies where the total fees payable to the consultants were less than \$10,000. The total amount spent on consultancies less than \$10,000 was \$15,266 (excl GST).

APPENDIX CONT'D

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

The Shrine of Remembrance Trustees adhere to the requirements of the Act and continue to develop and update their Disability Action Plan as and when required.

Disclosure of Government Advertising Expenditure

In 2020-21, the Trustees did not undertake any government advertising campaigns with total media spend of \$100,000 or greater (excl GST).

Disclosure of ICT Expenditure

ICT expenditure refers to the Shrine's costs in providing business enabling ICT services within the current reporting period. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing our current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

During the reporting period, the Shrine of Remembrance had a total BAU ICT expenditure of \$62,520 and no Non-BAU expenditure.

Statement of Availability of other Information

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed have been retained by the Shrine of Remembrance and are available on request, subject to the provisions of the *Freedom of Information Act 1982*. During 2020-21:

- Declarations of pecuniary interests were duly completed by all relevant officers.
- No shares were held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.

Reporting of Office-based Environmental Impacts

The Shrine of Remembrance maintains and regularly reviews an environmental practices policy and is committed to minimising the environmental impacts associated with its activities.

As part of a Social Procurement Framework aimed at supporting local and sustainable suppliers, the Shrine, now uses all biodegradable materials in its wreaths, made from Australian grown flowers and foliage.

The Shrine maintains a 960,000 litre underground water storage tank which is used to store building and hard stand run-off. This water supports irrigation across the site and reduces consumption of potable water. Irrigation is scheduled to occur at night to minimise evaporative loss and drip irrigators are used in densely planted areas to further conserve water.

Within the Shrine monument a building management system allows for efficient control of climate and lighting systems to meet the needs and expectations of visitors in an energy efficient manner. All public bathrooms utilise auto-operated hand dryers. Newer rooms/areas are also fitted with motion detectors to turn lights on and off in response to use as a means of reducing electrical consumption. All new and replacement lighting products have been high efficiency LED products.

Throughout each of Victoria's Covid-19 lockdown closures, lighting, HVAC and standby utilities were powered down and/or minimised to reduce energy consumption and avoid light exposure to collections items. This, along with BMS efficiencies and LED changeovers, assisted in the overall reduction of energy consumption by 21 per cent (131,542 kWh) this financial year.

The Shrine utilises Microsoft SharePoint electronic document storage and retrieval system to protect document integrity and minimise the use of paper; this is a cloud based computing solution reducing the requirement for on-site computing hardware thus minimising electrical costs and waste disposal of aged computer and server hardware. Redundant ICT equipment was e-recycled throughout the year.

All internal communications, including committee and board meeting agenda and minutes, are distributed electronically to minimise the environmental footprint by reducing printer power, paper and ink consumption, and carbon emissions in transportation. Recycling bins are located in all office areas to collect paper for re-use. Latex and Nitrile gloves are now being collected and where possible recycled. The Papercut software solution was implemented to assist our policy of minimising hard copy printing. Since last report, printing across the organisation has been reduced by 42 per cent, due mostly to office closures.

Pest control within the Shrine is of critical importance in both protecting the collection and ensuring visitors enjoy a positive experience. The Shrine has chosen to use manual control mechanisms, such as traps, in preference to toxic chemical controls wherever practicable.

APPENDIX CONT'D

Local Jobs First

The Shrine of Remembrance adheres to the *Local Jobs Act* 2003 introduced in August 2018 which brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Social Procurement

The Shrine undertook social procurement activities during the year with an aggregated spend of \$4,570 with two social enterprises, ADEs or Aboriginal businesses engaged.

Workforce data

The Shrine of Remembrance Trustees directly employs a Chief Executive Officer, operational staff, casual and contract employees.

Staff Numbers	2019–20	2020–21
Chief Executive Officer	1	1
Shrine Employees (Total)	38	36
Effective Full-time equivalent	29.75	30.47

The salary of one executive employee is reported within note 8.3 of the financial accounts.

The Shrine is also supported by 90 volunteers.

Model Financial Report

This Annual Report is modelled on the Model Financial Report as far as possible for this entity.

Design & Print Annual Report

The Shrine of Remembrance has taken all practical measures to comply with its obligations under the requirements of FRD 30D.

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KEY SUPPORTERS

Media Partnerships

Our media partnerships continued to foster public interest in the Shrine. ABC (TV, News and Online) provided comprehensive and coordinated support for our major ceremonial services as well as editorial coverage of exhibitions.

Foundation Benefactors

- Government of Victoria
- Anzac Centenary Public Fund
- Portland House Foundation

Benefactors

- Wertheimer Family
- Geoff & Helen Handbury Foundation
- Gandel Philanthropy
- Colonial Foundation
- Helen Macpherson Smith Trust
- Returned & Services League of Australia (Victorian Branch)
- City of Melbourne

Major Donors

- Margaret Ross AM and Dr Ian C Ross
- Holcim Australia Pty Ltd
- Vera Moore Foundation
- Calvert-Jones Foundation
- St Kilda Memorial Hall Trustees

Donors

- Lark Force Association
- Freemason's Public Charitable Foundation
- Betty Amsden AO
- Kenneth J Roche AO
- Republic of Turkey
- Geoffrey Gardiner Dairy Foundation
- Douglas Meagher QC
- National Servicemen's Association of Australia (Victoria) South Gippsland Sub-Branch
- Melbourne Football Club
- Richmond Football Club
- Krystyna Campbell-Pretty
- Anzac Naval Commemorative Ball Committee
- Hornagold-Tomholt Bequest
- Simonovic Bequest
- Wesley College
- Qantas
- The Copland Foundation
- Lindsay Fox AC
- Frederick Ian McLeod-Dryden
- Noel Ellis
- Loyal Orange Institution of Victoria
- The Chauvel Family
- BGS Educational Services Ltd

Key supporters in 2020–21 include:

- Government of Victoria
- Victoria Police
- City of Melbourne
- Australian War Memorial
- Macutex
- RACV
- Krystyna Campbell-Pretty
- Loyal Orange Institution of Victoria
- Estate of the Late Allan George Lorraine OAM
- Mrs Margaret Ross AM
- Mr Noel Ellis

The City of Melbourne provides grounds maintenance services and grant assistance towards limited administrative and secretarial support including payroll and accounting services via a Service Level Agreement.

Victoria Police provide the Shrine Guards.

Multinet Gas Networks and Origin Energy provide gas to the Eternal Flame via a Memorandum of Understanding and the *Shrine of Remembrance Act* 1978.



SHRINE OF REMEMBRANCE
MELBOURNE